

# Climate Change (Emissions Reduction Targets) (Scotland) Bill

[AS AMENDED AT STAGE 2]

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**Amendments to the Bill since the previous version are indicated by sidelining in the right margin. Wherever possible, provisions that were in the Bill as introduced retain the original numbering.**

# Climate Change (Emissions Reduction Targets) (Scotland) Bill

[AS AMENDED AT STAGE 2]

An Act of the Scottish Parliament to modify the Climate Change (Scotland) Act 2009 in relation to the targets for the reduction of greenhouse gas emissions; and for connected purposes.

## PART 1

### EMISSIONS REDUCTION TARGETS

5 *Modification of the Climate Change (Scotland) Act 2009*

#### 1 Scottish carbon budgets

- (1) The Climate Change (Scotland) Act 2009 is modified as follows.
- (2) After section A1 insert—

*“Scottish carbon budgets*

10 **A2 Scottish carbon budgets and associated concepts**

- (1) A Scottish carbon budget is the number of tonnes of carbon dioxide equivalent prescribed for a given period.
  - (2) The Scottish carbon budget for a period is exceeded if the net Scottish emissions account for the period exceeds the number of tonnes of carbon dioxide equivalent prescribed for the period.
  - (3) Not exceeding a Scottish carbon budget is referred to in this Act as a “Scottish carbon budget target”.
  - (4) Where this Act refers to an emissions reduction target for a year, the reference is to be construed in the context of a Scottish carbon budget target as follows—
    - (a) the year in question is the final year of the period covered by the Scottish carbon budget giving rise to the target, and
    - (b) the target for the year is met if that budget has not been exceeded.
  - (5) In this section, “prescribed” means prescribed by virtue of regulations under section A4.
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**A3 Duty of Scottish Ministers in relation to budgets**

The Scottish Ministers must ensure that each Scottish carbon budget target is met.

**A4 Budget-setting regulations**

- 5 (1) The Scottish Ministers must, by regulations, set Scottish carbon budgets so that every year between 2026 and the net-zero emissions target year is covered by a budget.
- (2) A budget for a period—
- 10 (a) may be set by expressing the prescribed number of tonnes of carbon dioxide equivalent for the period either as a figure or as a method for calculating a figure, and
- (b) may, in particular, be set by expressing the number as a proportion of the baseline multiplied by the number of years comprising the period.
- (3) The period covered by a Scottish carbon budget—
- 15 (a) is to be 5 years (for example 2026 to 2030), but
- (b) may be shorter in the case of the budget for the period that ends with the net-zero emissions target year.
- (4) In preparing a draft of regulations to be made under this section, the Scottish Ministers must—
- 20 (a) have regard to the target-setting criteria, and
- (b) act in accordance with the most up-to-date advice they have received from the relevant body, unless exceptional reasons apply.
- (5) On the same day as laying before the Scottish Parliament for approval a draft of regulations under this section, the Scottish Ministers must publish a statement setting out in respect of each Scottish carbon budget that would be set by the regulations—
- 25 (a) the extent to which the proposed budget takes account of the target-setting criteria,
- (b) whether the proposed budget is in accordance with the most up-to-date advice the Ministers have received from the relevant body and, if it is not, the reasons why,
- 30 (c) details of the views mentioned in A4A(b), and
- (d) the changes (if any) they have made to the regulations in response to such views and the reasons for those changes.
- 35 (6) A statement under subsection (5) must also set out, in broadly indicative terms, the proposals and policies in relation to each of the sectors mentioned in section 35(3) which are likely (if the regulations are approved) to be set out in the next climate change plan due to be laid before the Scottish Parliament under section 35(1).

**A5 Alteration of budget periods**

- (1) The Scottish Ministers may by regulations modify section A4(3) so as to alter the length of the periods to be covered by Scottish carbon budgets.
- (2) The power under this section may be exercised only if it appears to the Scottish Ministers necessary to do so in order to keep the periods covered by Scottish carbon budgets in line with similar periods under any international agreement to which the United Kingdom is a party.
- (3) Before laying before the Scottish Parliament for approval a draft of regulations under this section, the Scottish Ministers must consult the relevant body.”.

- (3) In section 97(1), before paragraph (a) insert—

“(za) regulations, other than the first regulations, under section A4;”.

**2 Replacement of annual and interim targets with budget targets**

- (1) The Climate Change (Scotland) Act 2009 is modified as follows.
- (2) Section 2, and the italic cross heading immediately preceding it, are repealed.
- (3) Section 2A is repealed.
- (4) In section 2C—

- (a) in subsection (3)—

- (i) for paragraph (b) substitute—

“(ab) whether each Scottish carbon budget for a period not yet reported on under section 33 is appropriate by reference to the target-setting criteria (and if not, advice as to any alternative budget for the period that would be appropriate),”.

- (ii) in paragraph (d), for “interim” substitute “Scottish carbon budget”.

- (b) in subsection (4), for paragraphs (a) and (b) substitute—

“(ab) a Scottish carbon budget target arising from a Scottish carbon budget for a period that falls wholly within the period of 15 years beginning with the year immediately following the year in which the request is made under subsection (1), and”.

- (5) In section 2E—

- (a) after subsection (3) insert—

“(3A) Subsection (3B) applies if the relevant body’s advice states that the Scottish carbon budget for a period not yet reported on under section 33 is not appropriate and that a different Scottish carbon budget for the period would be appropriate.

- (3B) The Scottish Ministers must—

- (a) within 3 months of receiving that advice publish a statement setting out how they intend to respond to that advice, and
- (b) if they do not, within 12 months of receiving that advice, lay for approval a draft of regulations under section A4 to make the advised change to

the Scottish carbon budget for the period, make a statement to the Scottish Parliament setting out the reasons for not doing so.”,

(b) subsections (4) and (5) are repealed.

(6) Section 3, and the italic cross heading immediately preceding it, are repealed.

(7) Section 3A is repealed.

(8) Section 3B is repealed.

(9) In section 3C—

(a) in subsection (1), for paragraphs (b) and (c) substitute—

“(ab) the Scottish carbon budgets,”,

(b) for subsection (3) substitute—

“(3) The Scottish Ministers must lay a copy of the list before the Scottish Parliament as soon as reasonably practicable after any change is made to it.”.

(10) In section 9(2)(d), for “that year” substitute “the period of the Scottish carbon budget for the period ending with the target year”.

(11) In section 13A—

(a) in subsection (1), for “year” substitute “given period”,

(b) in subsection (2)—

(i) for “target year” substitute “period”,

(ii) for “that year” substitute “that period”,

(c) after subsection (2) insert—

“(2A) The planned reduction in the net Scottish emissions account for a period covered by a Scottish carbon budget is the difference between the following amounts, both being determined immediately before the regulations under subsection (1) are made—

(a) the Scottish carbon budget for the period, and

(b) the Scottish carbon budget for the immediately preceding period.

(2B) In order for the planned reduction in the net Scottish emissions account to be calculated for the first period to be covered by a Scottish carbon budget, the Scottish Ministers are by regulations to prescribe a notional Scottish carbon budget for the 5 years immediately preceding the first period to be covered by a Scottish carbon budget.

(2C) Subsections (4) and (5) of section A4 apply in relation to regulations under subsection (2B) of this section as they do in relation to regulations under that section.”,

(d) in subsection (3)—

(i) in the opening words, for “a target year” substitute “a year that does not fall within a period covered by a Scottish carbon budget”,

(ii) in paragraph (a), the word “target”, where it appears immediately before “year”, is repealed,

(e) after subsection (3) insert—

“(3A) In subsection (3), “emissions reduction target”, in relation to a year, means the annual target under section 3 or (as the case may be) the interim target under section 2 that applied in respect of the year immediately before the section was repealed.”,

5 (f) in subsection (4), in the opening words, for “a year” substitute “a period”.

(12) In section 17(3), for “section 33” substitute “sections 33 and 34A”.

(13) In section 18(2), for “section 33” substitute “sections 33 and 34A”.

(14) In section 24(3)(a), for “2(1)” substitute “A3”.

(15) In section 33—

10 (a) for subsections (1) and (2) substitute—

“(1) The Scottish Ministers must, following each period covered by a Scottish carbon budget, lay before the Scottish Parliament a report in relation to that period.

(2) The report must state—

15 (a) the Scottish carbon budget for the period,

(b) whether the Scottish carbon budget target arising from that budget has been met,

20 (c) the percentage by which the net Scottish emissions account for the period is lower than the baseline multiplied by the number of years comprising the period,

(d) the difference between—

(i) the net Scottish emissions account for the period, and

(ii) the Scottish carbon budget for the period.

25 (2A) The report relating to the period ending with the net-zero emissions target year must also state—

(a) the net-zero emissions target,

(b) whether that target has been met,

(c) the percentage by which the net Scottish emissions account for the net-zero emissions target year is lower than the baseline,

30 (d) the amount by which the net Scottish emissions account for the net-zero emissions target year is lower or higher than the net-zero emissions target.”,

(b) in subsection (3), for “subsection (2)” substitute “subsections (2) and (2A)”.

(16) In section 34—

35 (a) in subsection (1)—

(i) in each of the following provisions, for “the year” substitute “each year”—

(A) paragraph (a)(ii), (iii) and (iv),

(B) paragraph (b)(i), (ii), (iii) and (iv),

(C) paragraph (c)(i) and (ii),

(ii) in paragraph (c)(iii)—

(A) before “year” insert “final”,

(B) the word “target” is repealed,

(iii) in paragraph (d), for “target year preceding the” substitute “year between 2010 and the final”,

(iv) in paragraph (e), before “year” insert “final”,

(b) in subsection (3), for “an earlier target year” substitute “a year covered by a previous report under section 33 or 34A”.

(17) After section 34 insert—

**“34A Annual report on emissions reduction**

(1) The Scottish Ministers must following each year lay before the Scottish Parliament a report in relation to that year.

(2) But subsection (1) does not apply in relation to a year if—

(a) it is the final year of a period covered by a Scottish carbon budget,

(b) it has been reported on under section 33, or

(c) it is a year that is—

(i) earlier than the first year to be reported on under section 33, or

(ii) later than the net-zero emissions target year.

(3) The report must be laid before the Parliament as soon as reasonably practicable after the information to be contained in the report becomes available.

(4) The report—

(a) must state—

(i) the percentage by which the net Scottish emissions account for the year is lower than the baseline, and

(ii) the information mentioned in section 34(1), read subject to the modification that references to each year, and the final year, covered by the report are to be read as references to the year covered by the report, and

(b) may contain such other information as the Scottish Ministers consider appropriate.

(5) The Scottish Ministers must use current international carbon reporting practice for the purposes of assessing and reporting on the matters mentioned in subsection (4).

(6) If the methods used to determine net Scottish emissions of greenhouse gases change and that change is such as to require adjustment of an amount for a year covered by a report under section 33 or a previous report under this section, the report must—

(a) specify the adjustment required and state the adjusted amount, and

(b) explain why the adjustment is required.



- (7) An adjustment under subsection (6) must, in so far as practicable, be made in accordance with current international carbon reporting practice.”.
- (18) In section 35(4)(b), for the words from “the same year” to “emissions” substitute “a”.
- (19) The title of section 36 becomes “Reports on proposals and policies where emissions reduction targets not met”.
- (20) In section 42—
- (a) for subsection (1A) substitute—
- “(1A) If—
- (a) the year covered by the report is a target year, and
- (b) the emissions reduction target for that year has not been met, the statement under subsection (1)(b) must explain why.”,
- (b) in subsection (2), after paragraph (a) insert—
- “(ab) section 34A(1) (annual report on emissions reduction);”,
- (c) in subsection (3), after “33” insert “or 34A”,
- (d) after subsection (3) insert—
- “(3A) Where the Scottish Ministers lay a report under section 33 or 34A before the Scottish Parliament—
- (a) before the expiry of the period of 30 days beginning with the day on which the report is laid, the report must be considered and reported on by a committee of the Scottish Parliament for the time being appointed by virtue of standing orders, and
- (b) before the expiry of the period of 60 days beginning with the day on which the report is laid, the Scottish Ministers must propose that the report is debated at a meeting of the Parliament.
- (3B) Where the Scottish Ministers lay a report under section 33 or 34A before the Scottish Parliament in the final year of the period composed of the current session of the Parliament, the report must be laid no later than 140 days before the day on which the current session is expected to end.
- (3C) In calculating the periods mentioned in subsections (3A) and (3B), no account shall be taken of any time during which the Parliament is dissolved or in recess for more than 4 days.”.
- (21) In section 57(3)(a), for “1, 2(1) or 3(1)(b)” substitute “A1 or A3”.
- (22) In section 96(7)(aa), for “year” substitute “period”.
- (23) In section 97(1)(b), for “year” substitute “period”.
- (24) In section 98—
- (a) the definition of “annual target” is repealed,
- (b) in the definition of “emissions reduction target”, for paragraphs (a) and (b) substitute—

“(ab) a Scottish carbon budget target (and references to meeting such a target are to be construed in accordance with section A2(4)), or”,

(c) the definition of “interim target” is repealed,

(d) after the definition of “renewable sources” insert—

““Scottish carbon budget” has the meaning given by section A2(1),

“Scottish carbon budget target” has the meaning given by section A2(3),”

(e) for the definition of “target year” substitute—

““target year” means—

(a) the final year of a period for which a Scottish carbon budget is set,

(b) the net-zero emissions target year.”.

### **3 Next climate change plan to follow setting of budgets**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

(2) In section 35(1), in paragraph (a)—

(a) for “5 years” substitute “2 months”,

(b) for “this section comes” substitute “the first regulations setting a Scottish carbon budget come”.

#### **3A Content of climate change plan in relation to carbon budgets**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

(2) In section 35(21), after “plan” the second time it occurs insert “, broken down by reference to the period covered by a Scottish carbon budget in which those costs and benefits are expected to arise”.

#### **3B Content of climate change plan: contribution of policies to meeting targets**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

(2) In section 35(5)—

(a) the words “the Scottish Ministers’ proposals and policies regarding” are repealed,

(b) after “contributions” insert “(in measurable terms)”,

(c) the words “each of the sectors mentioned in subsection (3)” become paragraph (a),

(d) after that paragraph insert “, and

(b) each group of associated policies set out in the plan.”.

#### **3C Preparation of climate change plan: further consultation**

(1) The Climate Change (Scotland) Act 2009 is amended as follows.

(2) In section 35A(1)—

(a) the “and” following paragraph (a) is repealed,

(b) after paragraph (a) insert—

“(aa) in addition to the views of the relevant body under section 9(1)(d), request the views of such persons as they consider appropriate with—

(i) knowledge of international law or policy relating to climate change,

(ii) scientific knowledge about climate change,

(iii) technical knowledge of climate change, and”,

(c) in paragraph (b), after sub-paragraph (ii), insert—

“(ia) any views on the draft plan set out by a person mentioned in paragraph (aa).”.

### **3D Requirement to respond to parliamentary reports and resolutions on draft climate change plans**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

(2) In section 35A, after subsection (1) insert—

“(1A) The Scottish Ministers must publish a response to any—

(a) resolution of a kind mentioned in sub-paragraph (iii) of subsection (1)(b), or

(b) report of a kind mentioned in sub-paragraph (iv) of that provision,

within 3 months of the resolution being passed or (as the case may be) the report being published.

(1B) The duty under subsection (1A) may be fulfilled by laying a statement before the Parliament in accordance with subsection (2) that addresses the resolution or report in question.”.

### **3E Report on proposals and policies where targets at risk of not being met**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

(2) In section 35B, after subsection (2) insert—

“(2A) If, when preparing a report under subsection (1), the Scottish Ministers’ assessment of progress is such that they consider that it is more likely than not that an emissions reduction target will not be met, the report must also explain—

(a) why they consider that to be the case, and

(b) what they intend to do to ensure the target is met.”.

### **3F Deadline for report on proposals and policies where targets not met**

(1) The Climate Change (Scotland) Act 2009 is modified as follows.

- (2) In section 36(2), for the words from “As soon” to “laid” substitute “Within the period of 6 months beginning with the day that the report referred to in subsection (1) is laid before the Parliament”.

### **3G Annual progress reports on climate change plan: further procedure**

- (1) The Climate Change (Scotland) Act 2009 is modified as follows.

- (2) In section 35B, after subsection (3) insert—

“(3A) Where the Scottish Ministers lay a report under subsection (1) before the Scottish Parliament—

(a) before the expiry of the period of 30 days beginning with the day on which the report is laid, the report must be considered and reported on by a committee of the Scottish Parliament for the time being appointed by virtue of standing orders, and

(b) before the expiry of the period of 60 days beginning with the day on which the report is laid, the Scottish Ministers must propose that the report is debated at a meeting of the Parliament.

(3B) Where the Scottish Ministers lay a report under subsection (1) before the Scottish Parliament in the final year of the period composed of the current session of the Parliament, the report must be laid no later than 140 days before the day on which the current session is expected to end.

(3C) In calculating the periods mentioned in subsections (3A) and (3B), no account shall be taken of any time during which the Parliament is dissolved or in recess for more than 4 days.”.

### *Setting Scottish carbon budgets*

#### **4 Further provision about setting first budgets**

- (1) The first regulations under section A4 of the 2009 Act setting Scottish carbon budgets are to do so by—

(a) inserting a new section into the 2009 Act, and

(b) replacing the words “by virtue of regulations under section A4” in section A2(5) of the 2009 Act with a cross reference to the new section.

- (2) The Scottish Ministers may not conclude their preparation of the first draft regulations under section A4 of the 2009 Act to be laid before the Scottish Parliament for approval, until they have received advice from the relevant body on setting Scottish carbon budgets following a request for that advice under section 2C or 2D of the 2009 Act.

- (2A) The Scottish Ministers must lay draft regulations under section A4 of the 2009 Act before the Scottish Parliament for approval within the period of 3 months beginning with their receiving the advice that subsection (2) requires them to have received before they conclude their preparation of the first draft regulations.

(3) If the Scottish Ministers request advice under section 2C of the 2009 Act before the first regulations under section A4 of that Act have come into force, section 2C is to be read in relation to that request as though—

(a) a reference to a Scottish carbon budget were a reference to the Scottish carbon budget that the relevant body has advised, or intends to advise, the Scottish Ministers to set, and

(b) a reference to a Scottish carbon budget target were a reference to the Scottish carbon budget target that would arise from a Scottish carbon budget that the relevant body has advised, or intends to advise, the Scottish Ministers to set.

(4) In this section—

“2009 Act” means the Climate Change (Scotland) Act 2009,

“relevant body” has the meaning given in the 2009 Act.

## PART 2

### FINAL PROVISIONS

#### **5 Ancillary provision**

(1) The Scottish Ministers may by regulations make any incidental, supplementary, consequential, transitional, transitory or saving provision they consider appropriate for the purposes of, or in connection with, or for giving full effect to this Act or any provision made under it.

(2) Regulations under this section may—

(a) modify any enactment (including this Act), and

(b) make different provision for different purposes.

(3) Regulations under this section—

(a) are subject to the affirmative procedure if they add to, replace or omit any part of the text of an Act, but

(b) otherwise, are subject to the negative procedure.

#### **6 Commencement**

This Act comes into force on the day after Royal Assent.

#### **7 Short title**

The short title of this Act is the Climate Change (Emissions Reduction Targets) (Scotland) Act 2024.

# **Climate Change (Emissions Reduction Targets) (Scotland) Bill**

[AS AMENDED AT STAGE 2]

An Act of the Scottish Parliament to modify the Climate Change (Scotland) Act 2009 in relation to the targets for the reduction of greenhouse gas emissions; and for connected purposes.

Introduced by: Gillian Martin  
On: 5 September 2024  
Bill type: Government Bill

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