

# **TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE**

Tuesday 10 March 2009

Session 3

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## TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

9<sup>th</sup> Meeting 2009, Session 3

### CONVENER

\*Patrick Harvie (Glasgow) (Green)

### DEPUTY CONVENER

Cathy Peattie (Falkirk East) (Lab)

### COMMITTEE MEMBERS

\*Rob Gibson (Highlands and Islands) (SNP)

\*Charlie Gordon (Glasgow Cathcart) (Lab)

\*Alex Johnstone (North East Scotland) (Con)

Alison McInnes (North East Scotland) (LD)

\*Des McNulty (Clydebank and Milngavie) (Lab)

\*Shirley-Anne Somerville (Lothians) (SNP)

### COMMITTEE SUBSTITUTES

Alasdair Allan (Western Isles) (SNP)

Gavin Brown (Lothians) (Con)

\*David Stewart (Highlands and Islands) (Lab)

\*Jim Tolson (Dunfermline West) (LD)

\*attended

### THE FOLLOWING GAVE EVIDENCE:

Stewart Stevenson (Minister for Transport, Infrastructure and Climate Change)

### CLERK TO THE COMMITTEE

Steve Farrell

### SENIOR ASSISTANT CLERK

Alastair Macfie

### ASSISTANT CLERK

Clare O'Neill

### LOCATION

Committee Room 2



## Scottish Parliament

### Transport, Infrastructure and Climate Change Committee

*Tuesday 10 March 2009*

[THE CONVENER *opened the meeting at 14:02*]

### Decision on Taking Business in Private

**The Convener (Patrick Harvie):** Good afternoon and welcome to the ninth meeting this year of the Transport, Infrastructure and Climate Change Committee. I remind members and everyone else who is present that all mobile phones and other devices should be switched off.

We have had apologies from Cathy Peattie and Alison McInnes; David Stewart and Jim Tolson are their respective committee substitutes. I welcome you both.

Do members agree to take in private item 3 and future consideration of our draft stage 1 report on the Climate Change (Scotland) Bill?

**Members** *indicated agreement.*

## Climate Change (Scotland) Bill: Stage 1

14:03

**The Convener:** This is the final evidence session in our stage 1 inquiry. We have heard from a large number of witnesses during the past six meetings. Today, we have the opportunity to put questions that have emerged from those discussions to the Minister for Transport, Infrastructure and Climate Change, Stewart Stevenson.

I will break down the session into two parts: first we will consider parts 1 to 4 of the bill, section 45 on “Programmes for adaptation to climate change”, and part 6; then we will concentrate on the provisions on forestry and waste in part 5. We will consider the provisions on energy efficiency in chapter 3 of part 5 when we receive a report from the Economy, Energy and Tourism Committee, which has been considering the matter in detail.

I welcome the minister and his Scottish Government officials: Philip Wright is deputy director of climate change, Fiona Page is head of the bill team, Cameron Maxwell is adviser on climate change policy and Madeleine Cusack is a policy officer on climate change adaptation.

Before we get into the nuts and bolts of the bill, I will ask a general question. How has the Government sought to get its house in order on climate change emissions? To what level have the Government’s emissions been reduced and what plans does the Government have to cut its emissions further, given that it has a key role in setting a good example when asking for substantial long-term reductions from the country as a whole?

**The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson):** The carbon reduction commitment largely encompasses what the Government has been doing and will do in the future. A carbon accounting tool is under development to ensure that we are able to carbon proof everything that we do in government to a detailed level. A number of things have been happening since the previous Administration was in office, which we have continued, in relation to how we compensate for some of our travel.

We have done some simple things. For example, at Victoria Quay, in Leith, we have installed an electronic board that shows when the buses are coming. As a result, as a team, we were able to tailor our travel here from Victoria Quay, because we knew that the bus that we were due to

catch—the number 35—was, of course, running on time.

We have also done quite a lot of work on the adaptation sector. We are facilitating discussions with the Scottish Environment Protection Agency, Scottish Natural Heritage, the Forestry Commission Scotland and Historic Scotland. We are working with local authorities on planning for extreme weather events, among other things. The climate change adaptation framework that we are developing has taken input from right across the Government. Also, the strategic board of the civil service has a shared responsibility to ensure that we have buy-in across all the Government's activities.

**The Convener:** Are you able to put a figure on the reduction in emissions that the Government has achieved from within its own operations?

**Stewart Stevenson:** Not at this stage. However, the carbon balance sheet that we are developing will enable us to start to measure that in a way that makes sense and gives us credible figures for our accounting.

**The Convener:** Do you expect to have those figures before the bill is passed? By taking the lead, the Government can help to promote confidence among the wider public that long-term reductions are not only achievable but are already happening in Scotland.

**Stewart Stevenson:** You will forgive me for saying that when the bill will be passed is in the hands of Parliament, although there is a shared expectation that that should happen during the current calendar year and sooner rather than later. We will not have completed all the work that I have described within that timescale. However, people should take as earnest of the Government's good faith the approbation that we have received from WWF Scotland, which has said that the bill is the most ambitious climate change legislation in the world. The process has seen the Government work with all strands of political opinion in the Parliament to common strategic purpose. Our debates and discussions are essentially taking place at tactical levels and do not show us deviating from the core direction in which we seek to move. In general, in everything that we do, we will seek to mainstream—to pick up a word that has been used in other contexts—consideration of the carbon effects of the initiatives that we take.

**The Convener:** Let us move on to the development of the bill. The formal consultation process followed a degree of informal dialogue with a range of stakeholders. Even now that the consultation has closed, I am sure that the Government is open to arguments from others as to the direction of its policy and the legislation. How have non-governmental organisations, the

business community and public sector bodies, for example, been involved in that process since the bill's introduction?

**Stewart Stevenson:** You qualified your question by saying, "since the bill's introduction". I would like to go back a bit further than that, if I may. The second engagement that I undertook as a minister—which I think was in the week beginning 20 or 21 May 2007—was to engage with the business community on the subject of climate change. The first engagement that I undertook as a minister, across the whole range of my responsibilities, was to engage with the scientific community on the subject.

We meet a range of NGOs regularly. I think that I met Stop Climate Chaos last week. I am getting a nod from my officials—it is sometimes difficult to remember in which week meetings took place. We had useful discussions with Stop Climate Chaos. I know that Mr Swinney has met other representatives of NGOs since then.

Engagement is a continuous process. You are quite right to point to the Government's willingness to continue—up to 2050, one hopes—to engage with NGOs and a wide range of stakeholders to ensure that, as our scientific understanding and the observational data on what is actually happening to the climate as a result of our and other people's interventions increase, we continue to modify what is happening.

Last week, I met the climate change business delivery group and Scottish Business in the Community hosted a May day network event in the Parliament. I believe that something of the order of 140 companies have signed up to that initiative so far, and last week's event was geared towards increasing that number.

That is by no means a complete statement in response to your question, but I hope that it illustrates the activity and the general willingness on our part to continue to engage—and we are not finished.

**The Convener:** Since the closure of the formal consultation, and more particularly since the bill's introduction, what impact have those discussions and engagements had on the Government's intentions for shaping the bill?

**Stewart Stevenson:** I am in the committee's hands as to how we approach this subject in detail. In a number of areas, we are looking to respond to the consultations with changes to the bill at stage 2 and further consideration of issues that we might pick up. Of course, the various committees have helped us to consider which areas of the bill could be sharpened. For example, on aviation and shipping, the bill currently states that the minister "may" do something, but it has been suggested that the bill should more properly

say that the minister “must” do something. We are actively considering making that change. That is merely one example; I am sure that we will come to others as we go through the bill.

**The Convener:** Thank you.

You mentioned the stage 2 process. It has been stated that the Government intends to lodge amendments at stage 2. I gather that you have expressed a general willingness to give further evidence to committees at stage 2, if that proves necessary. What amendments do you intend to lodge and do you expect any additional policy areas to be incorporated?

**Stewart Stevenson:** We are not currently considering incorporating additional policy areas, but we remain genuinely engaged. Nothing has emerged on that front so far. We have not completed our consideration of the stage 2 amendments that we will lodge, so I cannot give you a complete run-down of where we will get to. I think that, properly, you would expect me to say to the committee that we will, of course, engage with the committee and ensure that you are aware of our intentions at the earliest possible moment.

The energy efficiency of living accommodation is one area where we are considering making a change. Concerns have been expressed to me about the use of the word “promote” as against the word “improve”. We are looking at upping the ante to ensure that there is no ambiguity that could lead to people feeling that we want to dilute commitments that were made in the Housing (Scotland) Act 2006. We expect to lodge an amendment at stage 2 to address that point, so that there is clarity and certainty about the bill’s provisions.

14:15

**The Convener:** In debates in Parliament, the Cabinet Secretary for Finance and Sustainable Growth has indicated that he is open to the idea of a legislative commitment on a 10-year domestic energy efficiency programme. Is the Government still looking at that?

**Stewart Stevenson:** We are still looking at it.

**The Convener:** Thank you.

Members have a number of questions about the targets in the bill, the first of which is the target to reduce greenhouse gas emissions by 80 per cent by 2050. The Government set that target before the United Kingdom Committee on Climate Change was constituted even in its shadow form. What in-house scientific analysis was used to generate that target? At the time, some people argued for a lower target of 60 per cent, whereas others argued for a target of more than 80 per

cent. What was the scientific basis for the target? Is it still the latest scientific analysis?

**Stewart Stevenson:** I have a couple of comments to make on that subject. The 80 per cent target came in with the Government—it was a manifesto commitment. I was not the spokesperson on climate change at that stage, but I think that, as a political party, we took the best advice that we could. It is important that I point to scientific advice because in government—you will have heard me say this elsewhere—we want to ensure that we are driven, both on targets and on other matters, by scientific advice and that we do not impose political overlays that seek to challenge that advice.

That is this Administration’s approach as we set off on the journey to 2050. As I have said before, I will be 104 in 2050, so there is a faint chance that I might not be the minister then. We need an approach that will survive changes of Administration and changes of minister. That is why we have taken the principled approach of being driven by scientific advice.

We are talking generally about the subject of targets. As you will be aware, as well as providing for an 80 per cent reduction in greenhouse gas emissions by 2050, the bill provides for the meeting of an interim target by 2030. It now appears that 2020 would be a more appropriate date for an interim target, so we are very likely to amend the bill on that basis. The 2020 target that we are likely to end up with on the basis of scientific advice—we have not yet come up with an exact figure—is likely to be more challenging than the 2030 target that we put as a minimum in the bill. That is an example of how we are responding.

The process whereby the UK Climate Change Bill started off with a 60 per cent target but ended up with an 80 per cent target was driven by the science. By the same token, we expect the targets in our bill to be driven by the science rather than by potentially short-term political considerations.

**The Convener:** It is useful to know that you are open to bringing forward the interim target and increasing the reduction in emissions that will have to be achieved. When will you be able to announce the new target? Will we simply have to wait for stage 2 amendments to be lodged to find out what the Government’s intentions are?

**Stewart Stevenson:** We would like to give the committee the maximum certainty on as many of the changes that we plan to make at stage 2 as we can, so that they can be taken into consideration as you prepare your stage 1 report. In other words, we will seek to give you the most up-to-date position that we can so that it can be reflected in your report. The final position will

probably not be determined until April, and there might be issues that we are unable to bottom out. In some cases, complicated legal drafting will have to be undertaken, whereas the position in other cases will be more straightforward and we will be able to provide an earlier indication of our proposals. It is certainly our intention to work with the committee and to give it as much information as we can as early as we can. We expect to change the 2030 figure, but I am not yet in a position to tell you what the new figure will be. There is no doubt about whether we will change it—we intend to do so.

**The Convener:** I understand your current position, but you will be aware that, as soon as you have finished giving evidence to us today, we will start to discuss our general approach to the stage 1 report, which we will draft over the coming weeks. If you are unable today to give us a clear timescale for the announcement of decisions, will you be able to do so in writing over the next few days?

**Stewart Stevenson:** Absolutely. However, you should not imagine that there will be a single decision on a single day. We will make a series of decisions, and some of the simpler ones will be announced early. Clearly, it is not in our interests for the committee not to have the fullest possible information about our intentions at stage 2, but I am seeking to manage expectations about whether we will be able to tell the committee everything that we plan to do at stage 2 in time for its report. My approach is intended to be helpful; I hope that you see it in those terms, convener.

**The Convener:** I note the position and look forward to seeing the timescale. I am sure that when members come to draft the report they will want to reflect on the issues in light of the facts that are and are not available to them. Clearly, it would be helpful for them to have as many facts as possible when doing so.

**Stewart Stevenson:** The committee's first substantial discussions on the report's content are likely to take place next week. We will seek to give members an update in time to allow them to take account of it in those discussions. However, I repeat that that update is not likely to represent the whole and final story. We are happy to work as a team with the committee clerks to ensure that we synchronise our efforts to the extent that we can.

**Shirley-Anne Somerville (Lothians) (SNP):** My first question is about cumulative emissions. We heard a lot of good evidence from the Tyndall centre for climate change research about the importance of taking early action to ensure that we cut our emissions as quickly as possible. One issue that the Tyndall centre highlighted was cumulative emissions. Do you intend to monitor

and report on Scotland's cumulative emissions from today onwards?

**Stewart Stevenson:** Our focus is implicitly on cumulative emissions. I say that because we will set annual budgets, which will enable us to see what will be in the bank from Scotland's carbon reductions. The trajectory to 2050 will inevitably be lumpy. As I have said elsewhere, there will be a sudden jump when a major coal-fired power station changes technology, for example. There are many uncertainties, but by setting annual targets we will, in effect, be setting targets that relate to cumulative emissions. By the same token, reporting on what is happening will enable us to see how that is affecting cumulative emissions.

We are all aware that reducing emissions is simply a means of delivering control of the increase in temperature. If we postpone all the change to the last year, we will not get anything like the benefit that we would get from more ambitious change on a year-to-year basis. The 2020 target to which I have referred is part of the fairly early action that will get substantial emissions reductions into the budget at an early stage and enable us to start banking some of the cumulative emissions reductions on which we will depend.

**Shirley-Anne Somerville:** If the measurements are already being undertaken, will annual accounting include clear information on cumulative emissions, or will that be for others to work out?

**Stewart Stevenson:** Let me make a rather obvious point first: emissions are one thing, but sequestration is another. Sequestration is on the other side of the balance sheet. A range of factors has to be taken into account in understanding how much carbon is no longer in the atmosphere as a result of our action. For example, the increase in forestry planting is extracting carbon dioxide. I do not want to be unnecessarily picky, but the word "emissions" makes up part of the carbon balance sheet but does not tell the whole story.

If people thought that we could be helpful by adding up all the numbers across the reports, and if people felt that such a total would better inform parliamentarians and wider Scotland, it would not be difficult for us to include it in our reporting. We would certainly be open to doing that. In any event, we are already producing the numbers that would enable such a total to be calculated.

**Shirley-Anne Somerville:** What about the measurement of consumption? The general public can be confused, because they might assume that our emissions have reduced when, in fact, we have simply exported some of our heavy manufacturing and worst polluters to other countries. It might therefore be useful and



educational if people had a tool for knowing exactly what Scotland is consuming. Does the Government plan to report on consumption?

**Stewart Stevenson:** At the moment, figures are produced on consumption, and they are broadly similar to the figures on our net emissions. Everything is based on working out a national indicator for Scotland's carbon footprint.

Focusing on two measures simultaneously can lead to a real danger: confusing and conflicting messages can result. We are working internationally to ensure that we all count in the same way, so that we can get a picture for the whole world. Figures on our consumption will deviate from figures on our net emissions. What we propose to do conforms to international practice, in particular to the United Nations Framework Convention on Climate Change. That is appropriate; that should be our focus. We have to focus on the things that we do in Scotland that are responsible for CO<sub>2</sub> emissions.

If Scots consume things while abroad, should that count towards our consumption figures? If so, how could we measure that? It is more straightforward to estimate and measure our net carbon emissions.

**Shirley-Anne Somerville:** I take your point that different figures can appear contradictory. It is often too easy for people to blame developing countries such as China and India for emissions when, in fact, those countries are producing material for our consumption. Is the Government open to considering whether help is available from NGOs that work in carbon footprinting? We might explore that avenue.

14:30

**Stewart Stevenson:** I come back to the general point that we will work with NGOs and others. With divergent figures, there is a difficulty in determining what the Government's policy and practical response should properly be. That could introduce the real danger of politicians being asked to make judgment decisions rather than rely on the objective, scientific advice that informs ministers' policy-making decisions and is driven by changing views on how to measure and estimate and how best, ultimately, to deliver on the objective of keeping the increase in the earth's temperature within certain parameters. Focusing on a single measure for policy and practice gives us significant advantages by decoupling decision making from politics and delivering it back to the scientists. It also enables us to advocate strongly with other countries for a shared basis for action in other jurisdictions throughout the world.

**Shirley-Anne Somerville:** My final question is about sustainable development. It is important that

the targets in the bill are met in a sustainable fashion. Has the Government thought about including a sustainable development duty in the bill to ensure that that is the case?

**Stewart Stevenson:** As members will be aware, there are provisions to enable us to take powers over public bodies, which is key in focusing on sustainable development. Sustainable development is key to our maintaining the continuous reduction in our net carbon emissions that is necessary for us to meet our targets, and to meet the budgets that will be published as the legislation is implemented over the period to 2050. We are not alone in that. We need to work with a range of public bodies and local authorities, and to share responsibility with a wide range of other people.

Again, the clarity that comes from focusing on our net carbon emissions gives no place to hide for anyone. There is no great purpose in any sustainable development that increases carbon emissions. Our approach is to have a single purpose and to give no place for people to hide. We will continue to listen to the arguments, but that is where we are for the time being.

**The Convener:** I am a little unclear after that answer. Is the Government considering the option of a sustainable development duty in the bill?

**Stewart Stevenson:** We will consider it further, but we are not yet minded to include such an option in the bill.

**Des McNulty (Clydebank and Milngavie) (Lab):** I am interested in what you said about interim targets, and I want to probe you a wee bit on the substance. If you are considering a 2020 target, how will you determine it?

**Stewart Stevenson:** Using scientific advice.

**Des McNulty:** How will you get the scientific advice?

**Stewart Stevenson:** We will be informed by the first report from the UK Committee on Climate Change and, more fundamentally, by the UK Government's carbon emissions budget. This is a team game: we are part of the international obligations that the UK Government has signed up to. There are substantial signs that we are working effectively together on that, which will inform our decision on a 2020 target.

**Des McNulty:** How might the target of a 42 per cent reduction in emissions by 2020, which was recommended for the UK by the UK Committee on Climate Change, translate into a Scottish target?

**Stewart Stevenson:** That is the stretch target, and it is predicated on the European Union moving to a 30 per cent reduction target. As yet, we do not know that that will be the UK's target; there is

scope for more international and national discussion on the subject.

As we have done in relation to other matters, we would like to propose an “at least” target. As I said, it is important that we work with the rest of the United Kingdom on the targets, but we have to get more information on the UK target before we can say how the Scottish target relates to it.

There needs to be a new international agreement. The meeting at the end of the year in Copenhagen—which follows on from the meeting in Bali and, to an extent, the meeting in Poznań—will inform the numbers. The bottom line is that we can make the appropriate orders to set the targets in the light of emerging scientific information.

**Des McNulty:** You are right to say that the target of 42 per cent is a stretch target for the UK as a whole, but there is a general acceptance on the part of ministers and others that Scotland has some advantages over other parts of the UK in power generation and, to an extent, transport emissions. Setting aside the need for international negotiations, do you not consider that something that is a stretch target for the UK is a manifestly achievable target by 2020 for Scotland?

**Stewart Stevenson:** I accept the generality of what you are saying. We have certain advantages in that we have greater potential for renewable energy—that is an obvious factor that has been rehearsed in this committee and elsewhere. Nonetheless, it is not yet clear from the scientific advice exactly what steps would need to be taken to deliver a reduction in emissions of 42 per cent by 2020. For example, one of the range of things that we would need to do is quadruple the rate of forestry planting.

We await further advice on the subject. If it can be demonstrated based on scientific advice that such a figure is right for Scotland, we will take account of that, but we cannot discount the European trading schemes and the effects of those schemes that will be superimposed on the UK and Scotland. There is a certain amount of detail associated with the trajectory of effort around the UK trading schemes that will influence the figures that the UK Government chooses and the budgets that it sets for emissions and, therefore, the envelope within which we have to set our figures.

**Des McNulty:** On annual targets, you referred to the Government's manifesto and the endorsement of a target for 2050. The manifesto committed the Government to annual reductions of 3 per cent, but that commitment has been set to one side as those reductions will not come in until 2019. Our current emissions reduction is about 1.3 per cent a year. How do we put pressure on your Government and the next Government to get to a

3 per cent rate of reduction well in advance of 2019? Should we reconsider the provisions in the bill to see whether we can achieve that?

**Stewart Stevenson:** The bill will set mandatory annual targets of at least 3 per cent from 2020, so we are introducing annual targets—that is important. In fact, the stretch target of 42 per cent gives us a more challenging trajectory than that.

We will set our annual targets based on auditable scientific advice from the UK Committee on Climate Change, which will be based on information that is available to us all. Our targets will balance science and achievability: they must be credible and deliverable, and we want to make the fastest possible progress. Our drawing forward of the 2030 target to 2020, and the implication that that will be more challenging than the 2030 target that we are setting, is evidence that our approach to targets and use of annual targets will drive early change.

**Des McNulty:** With respect, minister, I am not sure that that is right. The commitment to a 3 per cent year-on-year reduction from 2020 is commendable, as is the undertaking to consider the 2020 interim target, but there is no hard and fast definition of what the Government expects itself or its successors to achieve between 2009 and 2020. That is the issue. We have heard from a swathe of climate scientists and environmental groups that what is crucial is not so much what happens between 2020 and 2050 but early action between now and 2020. If we do not take early action and the hard targets kick in only from 2020, we could end up in the situation in which the runaway train has long since left the station.

What can we do between now and 2020? It is a question not only of setting a target for 2020 but about how we bind this Government and the next one to the early action that we all think desirable and necessary. The UK Government is doing that in the form of five-year carbon budgets. Should we do that in Scotland, or should we consider setting escalating targets of, for example, 2 or 2.5 per cent for the years between now and 2019?

Everything seems imprecise at present. I am not denying your good intentions, just highlighting the imprecision of what you are committing yourself to between now and 2020.

**Stewart Stevenson:** Mr McNulty said that there is no hard and fast target until 2020; that is far from being the case. In early course, we will set targets to cover that period to show exactly what has to be achieved each year. There is a figure for 2020 in the bill, but the targets that will take us to that will be set by secondary legislation. They will be informed by advice from the UK Committee on Climate Change and, like the UK Government's

target for an 80 per cent reduction by 2050, informed by science.

The Climate Change Act 2008 does not contain anything different from our bill in that respect. We are more ambitious in certain other respects but, in this respect, we are following a similar trajectory to the UK Government and will, through the scientific advice that we will get, reflect the uniquely Scottish conditions in which we find ourselves.

14:45

**Des McNulty:** Let me just come back on that. The minister's argument is that he can include in the bill statutory conditions that will not come into force until 2020—Governments 10 years from now will be required to meet those conditions—but, despite knowing less about the situation from 2020 onwards than about the situation between now and 2020, he is not prepared to include in the bill quantifiable year-on-year targets for that interim period. My question is why we can include statutory commitments in the bill for the period after 2020 but not for the period between now and 2020. The minister's position seems illogical.

**Stewart Stevenson:** Our position is entirely logical. We have not received substantial suggestions from anyone about how to deliver a 3 per cent annual reduction over the next couple of years, and we await the scientific advice that will help us to set those targets through secondary legislation, which will be an essential part of the implementation of the bill all the way through to 2050. Indeed, as I said, the 2020 target will depend on scientific advice. It will be stretching but set a minimum: it is entirely possible that, on a year-on-year basis, the scientific advice could take us beyond the figure that is in the bill.

It would be no easier for us to include annual targets up to a particular date in the Climate Change (Scotland) Bill than it was for the UK Government to include such targets in its Climate Change Act 2008. The approach that we are taking and the scientific advice on which we will draw will lead to the setting of hard and fast targets, but we need to consider the timing for that process. If we were to make the completion of the primary legislation process await the scientific advice that will enable us to set annual targets, the bill would be substantially delayed. It is far better to progress with the bill by putting in place the infrastructures to take things forward so that we can use the secondary legislation provisions to set the annual targets.

**Des McNulty:** I have a final question. The Scottish Government committed itself to annual targets—

**Stewart Stevenson:** We are delivering annual targets.

**Des McNulty:** I recognise that.

I suppose that I am asking that we look at the issue rationally. It seems that we are nowhere near the 2020 baseline from which we could be confident that the 3 per cent annual reduction could be achieved—although I support the general direction in having that strong aspirational target. We are much closer to the situation in 2013, 2015 and 2017, for which an informed calculation could be made about the year-on-year reduction that we might realistically expect to achieve. I accept that there might be some imprecision about what could be done in 2012 as opposed to 2013, but we are in a much better position, in terms of the information available, to make an informed assessment on achievable annual targets—or, indeed, on an achievable cumulative target over two or three years—between, say, 2012 and 2015 than we are to make that assessment for the years 2025 to 2028.

The minister's confidence that he can achieve 3 per cent reductions in the 30 years between 2020 and 2050 seems at the very least inconsistent with his lack of precision about what he expects to achieve between 2009 and 2020. What does the minister anticipate can be done between 2009 and 2020 in terms of annual uplifts or aggregated annual uplifts? Based on the information that should be available now, what does he believe is practically achievable and able to give us some confidence that early action is being taken and that the measures that are being put in place will act as a lever to get real action each year from the current and next Governments?

**Stewart Stevenson:** I said that there will be annual targets, which makes it clear that we will have to deliver year-on-year reductions. We have not yet got scientific advice that will enable us to set figures for each year. That will be challenging for us and for the UK Government.

The way in which carbon trading will work across the European Union, the UK and Scotland has not yet bottomed out. Until it has, we cannot set the particular figures that Mr McNulty has asked for, but we have put a process in the bill that will enable us to do that. I am not aware of our having the information that would scientifically enable us to set the figures—indeed, the 2020 figure still requires to be scientifically informed. We have a source of scientific advice, and the best approach is to rely on what it tells us. We must deliver across a range of policy areas, but we must be informed by the scientific advice.

The member can be sure that we will set ourselves challenging targets as we go forward to 2020 and, indeed, 2050. The UK Government had

its Climate Change Bill passed last year, but it has not yet come up with its targets—indeed, it does not intend to set targets this year. Members will remember that we must set our targets in the context of the UK framework, which includes areas for which we will be responsible.

**The Convener:** Can you quickly clarify a point before we move on, minister? We all recognise that, although earlier cuts are harder to achieve, they are more important because they have a greater impact on our climate change performance in the long term. Given that you have indicated that the Government is considering the possibility of amending the bill to set a more ambitious target for 2020 than the current one for 2030, is the Government open to an amendment to the part of the bill that specifies that the annual targets in the first 10 years should be only reductions each year rather than specified reductions? Is the Government open to an amendment to toughen up the first set of targets?

**Stewart Stevenson:** I cannot give a clear answer to questions of that character without understanding the specific implications of any proposed amendment. The bottom line is that we will be informed by science rather than by politics—that is the important point. We must work with our partners in the UK and the EU to ensure that what we do is consistent with that. We are looking at the advice that the Committee on Climate Change is giving to the UK as a whole; we will watch how that relates to Scotland and how things progress. We already provide in the bill that there must be a reduction year on year.

I sign up to the convener's point—Mr McNulty possibly made it as well—that early action has a bigger impact because we bank the savings over a longer period. That is clearly true. I said to Shirley-Anne Somerville earlier that we cannot leave it until 2049 to do all the work because, if we did, we would not get the benefit of the change in greenhouse gas emissions over a long period. I therefore associate myself with the convener's remarks about the need for early action.

**The Convener:** I hear what you say about taking decisions that are based on science, and I am sure that the Government takes that seriously, but the committee will also be informed by science and, ultimately, political decisions will be made around this table and in the chamber about any amendments that are lodged. That is the only reason why I asked whether the Government is open to the kind of amendment that I described.

**Stewart Stevenson:** If the amendments were driven by science and, in particular, the UK Committee on Climate Change, we would of course consider them seriously.

I do not think that we are fundamentally at odds on the issue, convener, but I make the point again that the science is the important thing and that we should use it to move forward. I have a body of quite extensive information that is probably beyond what members would tolerate my reading to them. However, if it helps, I am happy to write to the committee to develop my point and allow it to take account of that information in its deliberations as it writes its report. If that raises further questions—I realise that it might do—we will be happy to respond further if we can within a timetable that is helpful to the committee.

**The Convener:** I am sure that we would appreciate further correspondence.

**Alex Johnstone (North East Scotland) (Con):** We have heard evidence from witnesses that suggests concern about the power in the bill to set annual targets in batches. Scottish and Southern Energy has said:

“to set one budget for 12 years may allow far too much leeway to project action into the future instead of the early action that is required”.

It has a point, does it not?

**Stewart Stevenson:** The targets are a minimum. I know that, through its chief executive's leadership of the business delivery group, Scottish and Southern Energy is much seized of the agenda and determined as a company both to do as much as it can on its own initiative and to lead many other businesses to do what they can. Ultimately, it will be helpful if members of the business community who have an objective view of the factual information that will drive things forward are willing to work with the scientific advisers on whom the UK Government and the Scottish Government will depend.

We are talking about five-year batches of annual targets, although there may be targets as far ahead as you suggest. One would, of course, reflect every five years on the experience that one has. Initially, a bigger chunk would be set because we have to make a start, but over time the objective would be to set targets in five-year chunks, which—if I fully understand the point—may strike the balance that Scottish and Southern Energy seeks.

**Alex Johnstone:** Let us consider the first batch of targets that will have to be set. In its evidence, Stop Climate Chaos Scotland expressed concern that setting the first batch of annual targets by June 2010, which is halfway through a year, would seem to build in an excuse either to miss a target or at least to set a weak annual target for 2010. Is there any cause for concern about that?

**Stewart Stevenson:** We must create a window in which to get advice to be able to move forward on that. We are actively engaged with the UK

Committee on Climate Change as of now—it may be slightly presumptuous of us to assume that the bill will be passed, but that engagement is necessary. It may be worth making a point that I should perhaps have made earlier: we will have the power to revisit the targets if the science changes significantly.

**Alex Johnstone:** I want to move on to the slightly different subject of emissions tracks. Following a request by the committee, the Government provided analysis of possible emissions tracks, but none related to the stated policy intention of having 3 per cent emissions cuts year on year. Why was the stated policy intention not outlined in any of the seven scenarios that were presented to the committee? Do you agree with SEPA's opinion that any emissions tracks should be towards the more ambitious end of the scale?

15:00

**Stewart Stevenson:** Excuse me while I get the numbers in front of me to remind me.

We want to be ambitious. The bill has been described as the most ambitious proposed legislation in the world, and we seek to sustain our position as climate change leaders. We provided the committee with a range of scenarios, and we expect to aim for the higher rather than the lower ambition.

For information, the UK Committee on Climate Change's 42 per cent stretch target relates to scenario 6, which is the most ambitious scenario. There remains uncertainty about whether such a rate of reductions can be delivered in the context of European trading and other matters, but we want to be as far to the right of the table of scenarios as we can be—in political terms, you will identify with such an aspiration.

**Jim Tolson (Dunfermline West) (LD):** We should push for sectoral targets for transport, energy and enterprise, along with international targets. The bill does not include sectoral targets but will require electricity figures to be included in the report on annual targets. Why is electricity singled out for reporting? Could not energy efficiency also be reported on?

**Stewart Stevenson:** At this early stage it is probably important to realise that the means by which we account for greenhouse gas emissions is somewhat indirect. We consider activity in the economy and try to determine the greenhouse gases that are derived from that activity; we do not stick a sensor into the atmosphere to measure the CO<sub>2</sub>.

Disaggregation to Scotland level of the big figures that are produced at UK level increases the

margin of error, which is currently plus or minus 6 per cent, although it will narrow as we become more skilled at disaggregation. At this stage of scientific understanding, further disaggregation to sectors increases the margin of error to the point at which it is difficult to work out what is happening in reality. Year-on-year figures might suggest that we are travelling in the wrong direction, although such a conclusion might simply be an effect of variation within the margin of error.

On electricity and power generation, there are huge single-point emitters, in relation to which there have been allocations under the European Union emission trading scheme. Measuring emissions from a relatively small number of huge installations will, of course, give us a measure of energy efficiency, but efficiency in dwellings and business premises is an entirely different matter, given that we are talking about a huge number of point emissions.

The setting of sectoral targets will become more possible over time. The approach at this stage, including in the European trading scheme, is helping us to understand what is going on in relation to electricity, but there is not information that would support the development of sectoral targets. The important point is that no one should think that they have been let off the hook and that they need not do everything they can just because another sector must make huge reductions.

**Jim Tolson:** I am sure that you are familiar with this comment from "Strategic Transport Projects Review Report 1: Review of Current and Future Network Performance". Chapter 4 states:

"On present trends, transport will not contribute to the reduction target."

Has the Government calculated what contribution different sectors will have to make in helping Scotland to reach its emissions reduction targets?

**Stewart Stevenson:** That brings us back to the commitment to develop a carbon balance sheet, which no other country has made. We are leading the way. There remain uncertainties about exactly where we will end up, but we have to do it and the approach will be refined over time.

I directed the strategic transport projects review, which began before we came to office but on which a substantial amount of work was undertaken afterwards. I needed to ensure that it had an intrinsic net carbon benefit, but that is not the whole story, by any means.

Transport covers more than what is in the strategic transport projects review—for example, use of private cars, for which the curve is, if anything, the most adverse. We have also seen, for example, that buses' CO<sub>2</sub> emissions have actually risen while the emission of particulates

from buses has been tackled during the past 10 years or so. Therefore, the next stage in improving the quality of the bus fleet must focus on things such as greenhouse gases.

It is clear that there is a series of challenges. We need to consider the nature of, and change people's attitude to, the use of private transport. It is not simply about technology, however—change in people's behaviour is needed. The carbon balance sheet will, as we develop it over a long time, be the most effective way of understanding and changing behaviours in transport. It will also, of course, help us in Government to plan actions as we move forward.

**The Convener:** Is it the case that several of the projects in the strategic transport projects review—which Jim Tolson mentioned—will have a negative impact on the transport sector's emissions? If the Government still holds to the statement that

"On present trends, transport will not contribute to the reduction target",

does it intend to reverse those trends and, if so, by when, or does it intend to allow the rest of the economy to take up the slack for transport failures?

**Stewart Stevenson:** Transport will make its contribution to the reduction of carbon emissions. We will ask the UK Committee on Climate Change for its advice on that, and it will make recommendations. We are not in a position in which every single thing we do in Government will lead to a reduction in carbon—there is a carbon cost in doing almost anything. The important thing is that we take account of that and make a balanced judgment on whether something is carbon affordable, just as we have to make a balanced judgment on whether something is financially affordable. That will increasingly be part of the decision-making processes for successive ministers and Administrations, which is why the carbon balance sheet will be so important in relation to understanding the minutiae of the effects of ministerial and Government decisions.

**The Convener:** Is that longhand for, "We do not know yet"?

**Stewart Stevenson:** There are many things that we do not know in relation to the period between now and 2050. That is one of the great challenges and the reason why it is so important that there is consensus—which I think has been achieved—on the strategic objectives, and proper engagement on the detail of whether individual actions will take us in the right direction.

**Des McNulty:** That is interesting.

I will move on to international credits. Do you intend—I presume that you do—that the vast majority of targets in the bill will be met through

domestic efforts in reduction in Scotland, and not through international carbon credits? Unlike the UK bill, the Scottish bill does not, as it is currently drafted, have a mechanism for capping carbon credits. How can we ensure that the targets are met through domestic reductions rather than by purchasing credits?

**Stewart Stevenson:** It might be helpful for me to say that we are giving further consideration to ways in which we can limit use of carbon credits and, in particular, to whether we can lodge an appropriate amendment at stage 2 to do that.

I associate myself with Des McNulty's point that our effort is more important than our ability simply to finance someone else to do things. That will not be a recipe worldwide for taking the agenda home. We must undertake greenhouse gas emissions reduction in Scotland—that is where we must apply both our effort and our money. We will give further consideration to carbon credit limits at stage 2.

**Des McNulty:** Would it be possible for Scotland simply to say that we are not going to use international carbon credits as a lever and that we will achieve the targets that have been set wholly and exclusively through our domestic effort?

**Stewart Stevenson:** One must be aware that the net effect of that would be nil. Because of the way in which the European trading schemes will work, other people would use the credits instead of us.

Credits are not core to what we have to do; however, they are an important part of smoothing out some of the lumpiness in the graph to which I referred. That lumpiness will play both ways. When a coal-burning power station changes technology, that will be a lumpy benefit. However, a very cold winter will potentially have an adverse effect as people increase their energy consumption.

We cannot, as a matter of principle, discount the use of credits as part of the process of ensuring that we make our overall contribution. However, I say again—others, I am sure, will echo this—that we must make actual reductions in greenhouse gas emissions if we are to play our proper part in achieving the 2050 target for the containment of the increase in the world's temperature.

**David Stewart (Highlands and Islands) (Lab):** I have a couple of questions about the roles of aviation and shipping. I know that you have a great interest in aviation, minister, so you will be well aware that the emissions from planes in flight have a much greater climate change effect than the same emissions at ground level, through complicated factors—nitrogen oxides and so on—which accelerate the climate change effect. You will be aware that the UK Government uses a

multiplier of 1.9 when it comes to calculating the effects of aviation emissions. However, I do not think that that is in your seven scenarios. If it is not, do you consider that the use of such a multiplier could be an important way of measuring the effects of aviation?

Perhaps you can answer my second question at the same time. In evidence, BAA said that the contribution of aviation emissions is covered in the EU emission trading scheme. What is your feeling about how we should measure emissions from international aviation?

**Stewart Stevenson:** I will answer your second question first and then come back to the other one. There is a footnote to the figures that are produced on emissions that already covers that, based on bunkering—that is, fuel uplift. Your first point being set aside for the moment, it is a pretty good surrogate for working out how much fuel is being used. For both shipping and aviation that is, in general, what is measured.

We need further work to inform us how emissions should be allocated to different jurisdictions. There are a range of opportunities for us not to count everything that should properly be attributed to us and for us to count things that should properly be attributed to others. Nevertheless, at the moment, the figures are at least being counted and are available. I will not sign up to the idea that we can simply trade away aviation emissions. Several initiatives have tried to address aviation emissions.

15:15

This committee has considered high-speed rail and I have said elsewhere that the mood on that is changing. Lord Adonis, who is the UK minister with responsibility for rail, is actively engaged in the subject. I think that he will meet the committee, because he will meet me. High-speed rail would affect much of the aviation from Scottish airports—such measures will make an important contribution. Operational and engineering measures can also be taken. A general question is whether we will in the future need to travel as much as we do today. Aviation will undoubtedly have to—and will—contribute not just to buying credits, but to reducing outputs.

David Stewart's other point was about the altitude at which aviation emissions are made—the part of the atmosphere that is involved. I am not sure whether it is clear to me that the UK Government uses multipliers for radiative forcing. I would be interested to hear whether that is the case, because I am advised that the UK Government does not use such multipliers.

For short-haul flights, the use of turboprops, which fly lower than and in a different part of the

atmosphere from jets, can contribute. It is interesting that the shortest sector travel time between Edinburgh and London happens to be in a turboprop and not a pure jet, for a variety of reasons that are not wholly replicable. We can expect more aircraft to fly lower, which might change their effect.

On the operation of aviation, we must work with the UK jurisdiction, which is responsible for aviation and its legislative framework. Our direct influence on that is limited to planning issues and our ownership of the lifeline airports for the Highlands and Islands, where a broader range of interventions are available to us.

**David Stewart:** If I understand you correctly, you do not believe that you can account for the effect just through the EU emission trading scheme; Scotland must have a system to account for the effect of aviation on climate change. That is not easy. I am trying to determine how you would measure the effect on climate change.

**Stewart Stevenson:** I will give you a little clarity. You said that we in Scotland need a system. We have made the commitment to include international aviation and maritime emissions. As I said—to make our intentions clear—we are considering amending section 14 at stage 2 by changing the word “may” to “must”—that has been raised with the committee—to reinforce what ministers have said we will do.

We should not and cannot act alone. We need an internationally accepted methodology. For example, in the future, the cost of fuel might be higher in Scotland than in Amsterdam—I choose that place arbitrarily for the sake of argument. If a Dutch plane that flew from Amsterdam to Edinburgh and then from Edinburgh to Amsterdam picked up no fuel in Edinburgh because fuel cost more here and it had bunkered some in Amsterdam, the current way of counting would mean that the climate change cost to Scotland was nil. However, we would probably all agree that the cost to Scotland should be reflected, because Scottish passengers would be travelling and so on. We have a method that gives us a relatively crude view of the effects. That is useful, but we need international agreement on how we will more properly attribute costs. Similarly, a transatlantic cargo flight might put down at Prestwick just to refuel without offloading or loading anything. We count that although, arguably, we should not.

I am not taking a view on any of that; I am only pointing out some of the debates that will take place. If aviation does not play its part, everyone else has to pick up the slack.

**David Stewart:** I will send your officials the reference for the multiplier that is used by the UK Government—it is 1.9.

My second question—there are probably similar arguments on this issue—is about shipping. You will know that, throughout the world, many operators now use quite heavy fuel because it is much cheaper. Of course, the downside is that it causes a great deal more problems in respect of climate change emissions. The Chamber of Shipping told us that

“Measuring Scotland’s share of international maritime emissions is extremely difficult”.

How would you measure it?

**Stewart Stevenson:** It is currently being measured by crude bunkering. You are correct that there is a range of fuels. I have not been able to confirm it with my officials, but my recollection is that three fuels are generally used: M30, M40 and M120. They have different amounts of, for example, sulphur in them. That is not a climate change gas, but it is a serious problem, and it is very important for me as an asthmatic, because it turns into sulphur dioxide in the atmosphere and harms the lungs of people like me and others. You are correct that some developments that are taking place in shipping run counter to environmental concerns. Ships are being laid up all round the world as economic activity has diminished and there is pressure on costs.

How would we measure shipping emissions? I repeat that we need internationally to understand how we measure the emissions. We have numbers that help to inform us, but they are simply bunkering numbers. For exactly the reasons that I mentioned in relation to aviation, there are difficulties.

The European Union is pressing the International Maritime Organization to address emissions from shipping and to develop a mechanism by which we can get sensible estimates. Of all the transport areas, shipping is probably the one in which least progress has been made. In relation to matters such as sulphur, a range of issues beyond climate change gases must be tackled.

**The Convener:** I have to ask for briefer answers if we are to make the progress that we need. Before we move off this issue, Dave Stewart asserted that the UK Government uses a radiative forcing multiplier of 1.9. If the question is whether the Scottish Government currently has a figure that it accepts, is the answer no?

**Stewart Stevenson:** We are not using a figure at the moment. I ask you to recall that the figures that inform us are coming from the UK Committee on Climate Change and the inventory that has been produced at UK level. We are not producing our own.

**Shirley-Anne Somerville:** I will move on to delivery of targets. We have heard from a number of witnesses that the bill can set up a very useful framework, but it is obviously the delivery that matters. Scottish Environment Protection Agency and Scottish Natural Heritage said that significant work would have to be done from the outset to deliver on our climate change objectives. Can you talk us through what is being done to ensure that there is rapid delivery on the ground, so that we fulfil the climate change targets?

**Stewart Stevenson:** SEPA is interested, among other things, particularly in the adaptation network. In the middle of the year, we will introduce the strategic overview, which I think will start to deal with the issue that SEPA and others have raised. I come back to the point that there is another aspect to all this; it relates to adaptation, which is also being pursued.

**Shirley-Anne Somerville:** We will come on to adaptation later.

**Stewart Stevenson:** I am sure that you will.

**Shirley-Anne Somerville:** The Royal Society of Edinburgh’s written submission suggests that the framework will not be enough and that there may be a need for a strategy to allow future Governments to meet the targets. Is the Government developing a climate change strategy or an updated climate change programme? If so, is it considering putting it in the bill?

**Stewart Stevenson:** I do not want to trade semantics, but I am not entirely clear on the difference between a framework and a strategy, both of which are not about tactics—the things that one does—but about that which one is trying to achieve. Let me give an illustration: scaffolding enables a building to be built; it constrains the shape of the building, but it is not the building.

**Shirley-Anne Somerville:** Perhaps I can assist. Will you include in the bill anything that will oblige the Government to develop an action plan on delivery of your framework?

**Stewart Stevenson:** I return to what I said earlier: we are not waiting for the bill. We are already working on our strategic overview. The publication of our annual targets will be accompanied by a report in which we will detail our progress. Under the bill, we have to report on the policy measures that we are delivering, which—of course—we will have to describe. That is our view at the moment, although we will continue to work in the spirit of engaging with people.

On adaptation, our action plan will shortly be issued for consultation.

**Shirley-Anne Somerville:** The bill contains a requirement for an energy efficiency action plan to



be published. Has the Government held discussions on whether action plans for other sectors could be required under the bill, for example on heat, electricity or energy-demand reduction?

**Stewart Stevenson:** Again, we are considering a stage 2 amendment—we have seized on the subject—and we will, of course, introduce secondary legislation, including on energy efficiency. We are already taking action.

The action plan for renewable heat will include consumer information, awareness raising, skills—particularly in terms of insulation measures—building regulations and the encouragement of heat mapping at local authority level.

**Jim Tolson:** My question is on enforcement and sanctions. The bill contains a number of ambitious targets that many of us hope will be reached within the given timescales, but there are no clear provisions on enforcement and sanctions. Friends of the Earth Scotland has said that sanctions should be included in the bill. Also, I understand that the climate change business delivery group has asked why the bill contains no sanctions for targets not being achieved. Have you and your team considered sanctions? Are you planning to add sanctions to the bill?

**Stewart Stevenson:** If, by sanctions, you mean financial sanctions on the Government, our view is that including them in the bill would simply reduce the amount of money that could be made available to address climate change. We are minded not to do that.

**Jim Tolson:** So, you have not looked at sanctions in any other theatre.

**Stewart Stevenson:** Well—

**Jim Tolson:** On targets, for example?

**Stewart Stevenson:** I am sorry, but I missed that—

**Jim Tolson:** I think my mike is working.

Have you looked at making sanctions not on financial but on any other bases?

**Stewart Stevenson:** We do not know what that would mean.

**Jim Tolson:** That sounds like a no.

**The Convener:** The Friends of the Earth proposal is for financial sanctions that would result not in less money for climate change-related activities but more money for such activities through a dedicated fund. Does the Government have a clear view on the proposal?

**Stewart Stevenson:** The effect would be to remove money from people who are underperforming on climate change thereby

reducing their ability to perform, which is not an immediately obvious solution.

**The Convener:** If I understand the proposal correctly, it is that the parts of Government that failed could access the money specifically to address their failures on climate change.

15:30

**Stewart Stevenson:** The effect would, therefore, be financially neutral. It is not clear to me that the proposal would deliver any benefit. The interaction between the responsible minister—and, for that matter, the Administration—and parliamentarians, whose job is to hold ministers and the Government to account, is the real issue. What is important is the information that comes from that and the scientific assessment of how ministers are doing. Although we may appear to be disagreeing about how to achieve the targets, everyone in the room is seeking to ensure that we achieve them.

**The Convener:** I am not telling you what I think about the proposal—I am asking you what you think about it.

**Stewart Stevenson:** Forgive me if I am making assumptions about your position. We simply do not see how it makes much sense to remove money from a public body that is not making the necessary progress and then invite it to ask for that money back, which is one of the options.

Section 31 requires that,

“As soon as reasonably practicable”

after reporting that an annual target has not been met, ministers

“lay a report before the Scottish Parliament setting out proposals and policies to compensate in future years for the excess emissions.”

Basically, the bill states that ministers will be dragged to Parliament to account for their failures. We see that as the appropriate and proper way of proceeding. No minister, whatever the complexion of the Administration, is ever terribly keen to be dragged to Parliament for that purpose. Annual reporting and the annual statement that must be made to Parliament are pretty robust ways of ensuring that Parliament and the wider public are on the case of failure in this area.

**The Convener:** Thank you. I just wanted you to comment on the proposal on the record.

Part 2 of the bill concerns advisory functions. I assume that your intention is still to use the UK Committee on Climate Change, at least in the short term, as the advisory body for the Scottish Government. We have received evidence on the resources that are available to the UK committee. It has been suggested that the committee has one

person working on Scottish issues and that it may need to allocate one or two more people to that task. Are you content that so far the committee has demonstrated that it has the Scotland-specific expertise and resources—both financially and in personnel—to enable it to exercise advisory functions for Scotland, which may require a perspective that is distinct from that which the committee takes in relation to the UK Government?

**Stewart Stevenson:** I met Lord Adair Turner soon after he was appointed. I was also consulted before his appointment, which was made before the committee really got going. Since it was established, the Committee on Climate Change has been on the case in respect of Scottish issues. It is worth making the general point that, were we from the outset to seek advice from a source other than the committee, it would take us a further 18 months or, more probably, two years to get advice. There should not be too much debate on the subject in the first instance.

The committee's December report was a good start. We should bear in mind that the Climate Change Act 2008 places a duty on the committee to provide advice to the devolved Administrations, including the Scottish Government. We work regularly and effectively with the committee and with colleagues in the Westminster Administration. In fact, I think that it is correct to say that in recent times there has not been a single week when there has been no interaction. Meetings take place broadly every fortnight. We think that we will get what we require. I point out that there is also an adaptations sub-committee that provides advice, analysis and information to each of the national Administrations.

All of this is a serious indication of our ability to work with other Administrations; after all, this of all policy areas is one in which we cannot row our own canoe. We have to work with others and using the UK Committee on Climate Change is one of the key ways in which we can ensure that, at all levels, we get the level of team working across jurisdictions that will be required.

**The Convener:** At a previous evidence session, Scottish Government officials confirmed that, at that point, no specific advice had been formally sought from the UK Committee on Climate Change. Notwithstanding the less formal on-going dialogue that is taking place, has any formal advice been sought since then on, for example, the appropriate level for a 2020 interim target, which was mentioned earlier? If advice has not yet been formally sought from the UK committee on that issue, is such a move being considered?

**Stewart Stevenson:** Our immediate focus is to work with the UK Committee on Climate Change on developing its 2009-10 business plan and

ensuring that the plan contains provision to support the work that we will require it to carry out. It is aware of the kind of questions that we want to ask. However, those questions have to be asked in the context of what the UK Government will do and we are awaiting further information in that respect.

The issue is more to do with the general environment. After all, we in Scotland do not have administrative or legislative responsibility for everything to do with climate change in Scotland. We are on target to have our questions answered on the timescale that meets our needs.

**The Convener:** Which is?

**Stewart Stevenson:** We will require our questions to be answered in time to lay secondary legislation, which will have to be done certainly by the middle of the year. We are, in fact, seeking to introduce that legislation a little bit earlier, and we will have the information that we require from the UK Committee for Climate Change—

**The Convener:** Forgive me, minister, but in our earlier discussion on the potential for amendments to introduce a 2020 interim target and whether that would have an impact on requirements for annual targets, you put great emphasis on reaching those decisions and making those amendments on the basis of evidence from the UK Committee on Climate Change. Have you not sought that advice?

**Stewart Stevenson:** I apologise—I missed your reference to the 2020 target. I was making a more general point about budgets going forward. We are working with the UK Committee on Climate Change with regard to its first report to ensure that we have the right figure for 2020 in early course.

**The Convener:** And will that advice also be made available to this committee in considering those amendments?

**Stewart Stevenson:** Advice to ministers is advice to ministers. If you are asking whether you can see the advice that I get through my officials, my answer is that, as I say, that is advice to ministers.

**The Convener:** I will let other members in in a moment, but I have to say that I find that response a little odd given that, earlier in the meeting, you told the committee that, although you would not reach a view on them yet, you would happily look at and be open to other amendments, as long as they were based on advice from the UK Committee on Climate Change. However, you are not going to publish that advice.

**Stewart Stevenson:** The UK Committee on Climate Change has published its inaugural report; it also publishes advice that it gives. However, I do not wish to make too much of what is a very

narrow point, which is that advice to ministers is of a different character. The committee's first report lays out Scottish abatement potential to help us to meet the 34 per cent target that is being discussed. We await further advice.

**Des McNulty:** I want to pursue the point that Patrick Harvie made, but in a slightly different way. The UK Committee on Climate Change can provide advice on a very wide range of matters from global trends in climate science right the way across to implementation in a narrow Scottish context. It might be equipped to offer that full range of advice right across the spectrum. On the other hand, although it might be well equipped to offer advice at one end of the spectrum—or on the greater part of the spectrum—a different kind of advice might be required on implementation and adaptation strategies.

What advice have you had from the UK Committee on Climate Change about its perception of the range of advice that it can give and whether that meets the full range of your needs? Have you taken independent advice, perhaps from the chief scientist, about where the best scientific advice available to the Scottish Government could come from, given the range of tasks associated with the bill? To return to the point that Patrick Harvie made, which bits of that advice will be made public and which bits might it be inappropriate to make public? I can see no reason why advice from the UK Committee on Climate Change on global trends in climate science should be secret or withheld in any way. However, some of the issues to do with immediate policy and implementation might require to be treated as advice to ministers, as you suggest.

Do we have the range of areas of advice that are required right? Have we identified what they are? Is the UK Committee on Climate Change the best body to give advice right across the spectrum? How much of the information from that body, or any other body, should be put in the public domain so that it can feed into the scrutiny process of climate change target setting and delivery which, in the spirit of transparency, I am sure we all want to see?

**Stewart Stevenson:** The only omission will be advice to ministers, which is a narrow piece of advice.

The UK Committee on Climate Change is a source of independent advice to the jurisdictions that have access to it. Those are primarily the UK Government, but also all the devolved Administrations. Our response to the first report by the UK Committee on Climate Change has to be informed to some extent by carbon emissions budgets that the UK Government has to set. Is the UK Committee on Climate Change currently equipped with the resource to do everything that is

required? Probably not, but that is precisely why we and other Administrations are working with it to ensure that its business plan for the forthcoming year reflects those needs and that it has the necessary resources to allow it to undertake the work that the various Administrations require it to do.

To seek advice from elsewhere in parallel carries the risk that we might be drawing advice from a set of data that is time-lined differently, which will lead to different conclusions, not as a result of the science being different but, rather, as a result of the data being different.

Unless the UK Committee on Climate Change becomes unwilling or unable to respond to the needs of this devolved Administration—and of the Wales and Northern Ireland Executives—it will be the best available source of independent advice for the Government. Core advice to the Scottish Government will, of course, be seen by the people.

15:45

**Charlie Gordon (Glasgow Cathcart) (Lab):** How will the current advisory functions of SEPA and SNH link to the work of the UK Committee on Climate Change or of any new Scottish committee on climate change?

**Stewart Stevenson:** Clearly, our environmental agencies have to work with Government. They are, of course, part of Government, and are therefore in a position to influence the questions that we would wish to ask the UK Committee on Climate Change or any other source of advice.

SEPA is concerned with flooding issues and with the adaptation strategy. Together with the environmental bodies of other jurisdictions in the United Kingdom, SEPA will be a source of the data that will be considered by scientists on the UK Committee on Climate Change.

**Charlie Gordon:** Therefore, in some situations, you would go first to SEPA or SNH for advice, and then decide to get a second opinion from the UK Committee on Climate Change.

**Stewart Stevenson:** SEPA, as part of Government, has a set of statutory duties to discharge. On the issue of climate change, we expect SEPA to inform UK risk assessment. That information will then inform scientific assessment by the UK Committee on Climate Change.

I am keen to ensure that our approach is consistent, open and auditable. SNH also has environmental responsibilities, and SNH and SEPA are key to adaptation and to our response to climate change. Equally important, they will inform the UK Committee on Climate Change, so that it receives the best possible scientific view

and is informed by the widest possible range of information.

**Charlie Gordon:** How might a judgment be made on whether a distinct Scottish climate change committee is needed?

**Stewart Stevenson:** The bill provides for that possibility; we envisage that it is possible. Thus far, the UK Committee on Climate Change has been responding.

Science is not geographically attached. Scientists around the world are used to working together on common causes, to shared standards. It is useful to have a single body that reflects the work of all the jurisdictions in the UK. On this agenda, as on others, it will be necessary to work with other jurisdictions.

The safety net exists, but it would take a substantial amount of time and money to set up a Scottish climate change committee. Committee members know my political persuasion, but I am here defending the UK's approach. At this stage, we do not need to take a different approach. I do not yet see any warning signs that suggest that we need to go along that road.

**Charlie Gordon:** In describing the scenario of one day having a separate Scottish committee as a "safety net", you are perhaps at variance with our understanding that there might be an organic development, as it were, of the range of advice available here in Scotland. It seems that you have in mind some criteria that would allow you, or one of your successors, to make a judgment on whether it is appropriate to have a separate Scottish committee. The fact that you describe it as a "safety net" perhaps indicates that, for the foreseeable future, you would prefer to stick with the relationship with the UK Committee on Climate Change.

**Stewart Stevenson:** That is the correct interpretation of the position that I am in at the moment. I used the term "safety net" simply in response to your positing future failure in the UK Committee on Climate Change and asking what the minister would do in that situation.

**Charlie Gordon:** With respect, I am not aware that I posited that. I simply wanted to get a feel for what criteria we might develop over time to allow us to make a judgment one day about whether we should have a Scottish committee.

**Stewart Stevenson:** It is early days on the subject. We have had one report from the UK Committee on Climate Change and will keep the situation under review. Statutory obligations on the UK committee to be responsive to our needs and to give us particular information are embedded in the UK Climate Change Act 2008. We have the option to ask for other advice outwith that, which

we will seek to do from time from time. We will not be the only people who review how effectively the UK Committee on Climate Change is working. The NGO community, SEPA, SNH and all who are engaged in the agenda will keep a close eye on what is going on. That is intrinsically useful.

**The Convener:** Section 20 discusses the possibility of a Scottish committee on climate change. Does it keep open the option of a Scottish committee—if one were ever created—being appointed by and accountable to the Parliament rather than the Government in the manner of some of our commissions, instead of following the structure of the UK committee? Is that legislative door open and should it be?

**Stewart Stevenson:** The bodies that are accountable to the Scottish Parliament exist to represent and look after the public interest. They are independent of the Government and none of them provides advice to ministers.

**The Convener:** They are free to do so.

**Stewart Stevenson:** Yes, but they are not a source of advice for ministers. That is not their responsibility. In essence, they exist for scrutiny purposes. Therefore, what you suggest would be something of an entirely different character. If direct parliamentary supervision of the source of ministerial advice was the way in which the matter was approached, it would be a pretty radical departure that would need to be considered carefully—not that I am intrinsically opposed to radical departures, I hasten to add. If a Scottish committee were to be established, it would publish reports and respond to and report to ministers.

**The Convener:** I do not wish to explore your preference or mine among the options; I am asking a question of fact. Is it your understanding that section 20 leaves open the possibility of a Scottish committee being appointed by and accountable to the Parliament?

**Stewart Stevenson:** It leaves open the possibility of establishing a Scottish committee on climate change to advise ministers.

**Rob Gibson (Highlands and Islands) (SNP):** I will ask about annual reporting to the Parliament on progress towards emissions targets, which we have discussed before. What progress is being made on improving timescales for providing accurate emissions data?

**Stewart Stevenson:** There has not yet been any substantial progress in accelerating the timescale for annual reporting. Quite properly, the member used the word "accurate". It would certainly be possible for us to get information earlier, but it is more likely that that information would be subject to revision. We have to make a

judgment about getting the balance right; it is not an absolute science.

We are considering how we can accelerate the process, which at the moment takes about 18 to 20 months. Disaggregation for Scotland of the data in the UK inventory results in an additional time lag. We are looking to make improvements, but there are areas in which we are still trying to understand how to do things. We have mentioned international shipping and international aviation, in relation to which the notes to the inventory include the bunkering figures that inform us to the degree that they can. It is clear that we will have to continue to work to improve that. We will do our best, but the progress that we are making at the moment is fairly modest.

**Rob Gibson:** In section 34, the bill proposes that the Scottish ministers will meet committee conveners after a report on targets has been laid before Parliament. Do you envisage the adoption of a more formal process, perhaps through a requirement to appear before relevant committees? Might that be a more effective means of encouraging accountability?

**Stewart Stevenson:** I do not think that the two proposals are alternatives. Requiring ministers to appear in front of the committee of committee conveners is probably quite an important provision because it emphasises the need to consider the issue in the round and across all policy areas. It will provide a good opportunity for committee conveners, who represent all the diverse interests of the various committees, to consider what is happening.

It will depend on the personalities involved and the convenership of the committees that will be responsible for overseeing climate change in the future, but I find it almost inconceivable that the relevant minister would not appear before the appropriate committee and other committees of the Parliament. I would be astonished if that did not happen.

The committee of conveners does not routinely sit in public, although I am not aware that standing orders would prevent it from doing so. It is not, of course, a statutory committee of the Parliament—I accept that. That is a matter on which Parliament could take action at its own behest. The provision whereby ministers will appear before the committee of conveners is an important addition to our appearance in front of those committees whose work is formally part of the parliamentary process. We will be guided by Parliament's view on such matters.

**Rob Gibson:** So you would not object to the committee of conveners making it a more formal process.

**Stewart Stevenson:** Certainly not. If that were felt to be helpful, this minister would not feel uncomfortable with that, and I cannot imagine that any other minister would, either.

**The Convener:** I should clarify that we are discussing the Conveners Group, which is not a committee.

**Stewart Stevenson:** I stand corrected and abide by what you have just said.

**The Convener:** It is not just the case that the Conveners Group does not routinely meet in public; it never meets in public. It meets in private. It would be unfortunate to give a mistaken impression in that regard.

What engagement did the Government have with the Conveners Group or the chair of the Conveners Group before it decided to incorporate the duty in question in the bill? Did it discuss whether such a process would be appropriate?

**Stewart Stevenson:** We have had discussions at official level.

You are correct that the Conveners Group—on which I sat, from time to time, in a previous session of Parliament—meets in private. By the same token, as it is not a formal parliamentary committee, it could choose to do what it wanted. We are simply trying to make a genuine offer to reflect the cross-cutting—if I am allowed to use that word—nature of climate change in our engagement with Parliament. It is an offer that is genuinely made and which probably goes further than any that has been made in relation to any other legislation. If there is another way of achieving the same objective, we are entirely open to discussing it further.

16:00

**The Convener:** It would be helpful if you could provide in writing some detail of the discussion that you are saying took place before the proposal was incorporated in the bill. I am not sure that the Conveners Group was aware of that.

**Stewart Stevenson:** We can do that.

**Des McNulty:** My recollection is that, when it was started up, the Conveners Group was explicitly designed not to be a formal committee. I would have no objection to an informal briefing being given to committee conveners, but I am concerned about that group being given a formal status by being written into a particular piece of legislation. That is the problem that we have with the provision.

**Stewart Stevenson:** It has just been drawn to my attention that the exact words in the bill are:

“Scottish Ministers ... must ... meet with the persons who convene and chair such committees”.

That means that the bill does not attach to any particular way of organising things.

I should make it clear that, although officials have clearly been involved in the process, the suggestion that we are making is, essentially, a political one. We are making an offer. If the Parliament or the committee thinks that the activity that is proposed in section 34(3) is not particularly useful, that is fair enough. If there is another way of achieving the same end, I am quite relaxed about responding to the committee's views on the subject.

**The Convener:** Your state of relaxation is noted.

**Rob Gibson:** The bill provides for the Scottish ministers to produce a plan to compensate in future years if annual targets are not met. How is that substantially different from the approach that is provided for in the UK Climate Change Act 2008, which involves banking and borrowing from five-yearly budgets?

**Stewart Stevenson:** It is about the minister having to respond when people say, "You didn't get it right last year. How are you going to fix that?" That is what it boils down to. That approach ensures that policies that address failures will be new and additional and will not simply continue in the direction that has been taken previously. That is the approach that we have come up with to deal with the matter; I am not going to make remarks about the approach of any other jurisdiction.

**Rob Gibson:** It seems to me a good deal more informal than the approach that involves banking and borrowing.

**Stewart Stevenson:** Banking and borrowing is simply about the budgets; it is not necessarily about the action that is required to address the problem. Ministers would have an overdraft, in carbon terms, and it is not terribly easy to deal with that when you are working on an annual reporting cycle. Our approach is intended to be quite a challenging one for ministers and their teams to deal with, as it forces an immediate response. It is like a letter from the bank manager that says, "You are overdrawn, and we require you to settle the account by the end of the month." The timescale in the bill is slightly longer, but that is the flavour of the approach.

**Rob Gibson:** I would not want to compare Government ministers with bank managers at the moment.

It would be interesting if we could see some more specific details of how that reporting would take place.

**Stewart Stevenson:** There is provision for annual reporting in the bill. Perhaps you can draw

me closer to what you think we might do beyond that.

**Rob Gibson:** I was trying to coax you into suggesting the sort of things that might be reported on.

**Stewart Stevenson:** Ah! We will describe the structure of the reports, if I recall correctly, in secondary legislation. In fact, section 28 states that we

"must lay before the Scottish Parliament a report in respect of each year in the period 2010-2050 for which an annual target has been set".

The report must state whether the annual target has been met and, if not, why not. It must contain the information that is set out in section 29, which has a fair list of different things in seven subsections. Section 28(5) states that the report

"must be laid before the Parliament no later than 31 October in the second year after the target year."

Section 29 describes what information must be in the report, but section 29(7) states:

"The report may contain such other information as the Scottish Ministers consider appropriate".

In other words, the report is not limited to what is listed in section 29.

Section 31 states that, when annual targets are not met, we must report on "proposals and policies". There will, of course, be further reports on the interim target for 2030. There is a long list in section 29 of what must be in the annual reports, but I am conscious of the need to make my answers more concise. However, I can read out the list in section 29, if you wish.

**Rob Gibson:** No—I was just testing.

**Stewart Stevenson:** It was quite proper to do so.

**Jim Tolson:** I believe that a sustainability duty should feature in the bill to encourage groups such as public bodies to act with future emissions in mind. More specifically, do you agree with SEPA that duties on public bodies are needed immediately because voluntary approaches will not deliver the required emissions cuts?

**Stewart Stevenson:** Public bodies include local authorities, and it is important that we sit down and discuss with them, as equals, what we want to do. I hope that the powers to mandate in the bill will have great power, even if they are never exercised. In other words, they provide a fall-back position.

I think I am correct in saying that all 32 councils signed up to the climate change declaration under the previous Administration. We therefore have consensus at that level. Having powers in reserve in the bill is the right thing to do. At this stage, it is

not terribly clear what we would force people to do, if we used powers to mandate. By having a general power to fall back on, we are more likely to get innovative and imaginative thinking in public bodies. Of course, the opportunity for cross-fertilisation among bodies provides for good experiences to be learned and implemented.

**Jim Tolson:** From some of the evidence that the committee has taken, it seems that public bodies are not clear about what the duties might look like. The Government has not fleshed out what duties it wants to include in the bill and secondary legislation. What work has been done to develop ideas about duties and what discussion has taken place with public bodies?

**Stewart Stevenson:** The bill is cast in such a way that it does not specify duties at this stage. Essentially, we have a framework bill that takes us up to 2050. The way in which the bill is constructed in that regard gives us sufficient scope over a long period to respond to the circumstances in which we find ourselves. Including a list of activities in the bill would carry with it the real danger that the responses of public bodies would be restricted to what was on the list. It is much more appropriate that we approach the issue in the way that I have described.

The public bodies that we are talking about include the Convention of Scottish Local Authorities, Audit Scotland, Scottish Water, SEPA and the Sustainable Development Commission. There is a wide range of bodies with different missions, which will therefore have to do different things. A list can be an excuse for not doing something—because it is not on the list—whereas we would rather that those bodies were firmly engaged in the agenda and came up with activities that were appropriate for them. Our ability as an Administration to take powers in that regard is a fall-back position, which we hope will never be used.

**Jim Tolson:** You mentioned SEPA. It is keen that the duties should apply to regulators such as the Water Industry Commission for Scotland. Should that be the case, in your view?

**Stewart Stevenson:** The Water Industry Commission is a regulator that represents the public interest. Although I sometimes might wish to do so, I cannot instruct the commission. The legislative framework does not allow me to do that. Part of our work with the water industry involves annual discussions and agreement with the commission about the sort of things that it will do. That separation is quite important.

**Jim Tolson:** SNH has a target of reducing emissions by 4 per cent, year on year. Should that be the benchmark for all public bodies?

**Stewart Stevenson:** As I have said, each must do what it is possible for them to do. I am delighted that SNH shows that ambition and is working up the processes by which it can deliver on that target. However, it is for each body to look at what it is responsible for and what activities it undertakes, and to come up with appropriate ways in which it can reduce the greenhouse gases that it might have some influence on. Different bodies will have different abilities to influence greenhouse gas emissions. SNH, being an environmental body, has particular opportunities that other bodies will not have.

**Des McNulty:** We heard from Scottish Water last week that its energy use is on an upward curve, partly as an unintended consequence of other policies, including European directives. A good example might be Milngavie water treatment works, which was previously gravity fed but which now does a significant amount of pumping. How will we take account of the unintended consequences of directives and balance the intentions that are set out in that legislation with what we are trying to achieve with climate change legislation?

**Stewart Stevenson:** The member is absolutely right. Scottish Water's energy needs are rising, and they are substantial. Much of the modern water and sewerage infrastructure depends on pumping material around. Scottish Water has considerable real estate around Scotland and it is considering installing renewable energy sources directly on site, which it hopes will make a significant contribution to its energy consumption.

The carbon reduction commitment is part of the issue under consideration here, but we also need to persuade the public generally of the importance of making careful use of water supplies. One such green action—which, although a simple little thing, presses that particular button—is turning off the tap when you are cleaning your teeth. That single action will not save the world, but it is a way in which people can be engaged on the issue. We take water for granted but, in the future, we will have to think about our water usage more carefully.

We are beginning to have an influence over European Community regulation in the context of both its implications for energy use and the European Union and the European Commission understanding that their policies must be carbon-proofed. Nevertheless, we ain't finished with some of what the European Union is requiring us to do that will increase Scottish Water's energy requirements.

16:15

**Des McNulty:** I am trying to remember the name of the minister who suggested in the midst of the water shortage crisis that people should share bath water. I do not think that he lasted very long.

**The Convener:** All in the name of good fun, surely.

**Des McNulty:** Absolutely.

**Stewart Stevenson:** It would depend on whether the water was shared serially or in parallel. People can do either.

**The Convener:** Each to their own.

**David Stewart:** Does the minister share my view that Scottish Water must set a good example? Until recently, it was losing half of all the water that it treated; now, it is losing a third of it. I give Scottish Water credit for moving in the right direction, but there are massive climate change implications to that.

**Stewart Stevenson:** David Stewart is absolutely correct. The target for water leakage was the one target that Scottish Water did not meet last year, although it missed it by a pretty narrow margin. It is an issue of considerable focus, and I look forward to Scottish Water not missing its targets. Because of its huge energy usage, Scottish Water is seeking to account more broadly for its carbon footprint and to use that information to test engineering and other initiatives that it proceeds with.

**Des McNulty:** Let us turn to the financial memorandum and the issues that were raised by the Finance Committee, which I think need to be addressed. When the Cabinet Secretary for Finance and Sustainable Growth and I were members of the Finance Committee, we were hard on financial memoranda that said that there would be relatively little cost involved in setting up a framework, although the bill in question put in place a mechanism that allowed the Government to produce secondary legislation that was uncoded in that bill but was a necessary consequence of delivering the bill.

Bearing in mind what the Finance Committee has said and the criticisms that it has made, do you consider it possible that you can deliver a significantly improved financial memorandum in time for stage 3, as has happened for a number of previous bills?

**Stewart Stevenson:** It is important and self-evident that the bill has always been, quite properly, about creating a framework to 2050. However, we do not know what our scientific understanding of the climate change agenda is likely to be in, for example, 2030 or 2040. The

work of Sir Nicholas Stern has probably given us the most rigorous insight that is available at the highest level into not only the cost of dealing with climate change but, more fundamental, the cost of not dealing with climate change. However, even Sir Nicholas Stern, with the considerable expertise on which he could draw, had to come up with bands of outcomes and bands of costs that do not absolutely pin things down.

The cost of not dealing with climate change is clearly very high—it is 10 times or so the cost of dealing with climate change. I thought that Adair Turner put it well when he appeared in front of a Westminster committee—I think it was a House of Lords committee, but I am not certain. He said, with reference to the cost of 2 per cent of gross domestic product that Sir Nicholas Stern mentioned—I hasten to add that this was before the credit crunch came in—that the effect of climate change would be that, with a 3 per cent growth in the economy, the growth that we would expect to be delivered in January 2050 will instead be delivered in June 2050. I think that that is more or less what he said. That gives us a sense of the impact of dealing with climate change and illustrates that it is not quite what we might otherwise think.

Will we update the financial memorandum? As a matter of course, we certainly expect to update it to reflect any changes that we make at stage 2. However, it is inevitable in such a bill that we are dealing with estimates. The figures are not undebatable and they cannot be made so. They give the best ranges of figures that we can give. We will create the cost framework as we proceed to set budgets and annual targets, and we will have to bring forward a description of what the costs will be at that point. I do not think that there is any way in which we can import into the financial memorandum certainty about all the costs. I am afraid that I do not accept that that will be possible. We will have to introduce substantial secondary legislation during the period to 2050, and we will have to bring forward the financial costs of what is done at that stage.

I return to my point that Sir Nicholas Stern has given us a clear understanding—it is probably the best available understanding, and it is being relied on in other jurisdictions outside the UK—of what the costs are.

**Des McNulty:** Budgeted costs for the period between 2020 and 2050 could hardly be anything other than speculative. However, as I said at an earlier stage, I regard early action as the single most important thing in taking the agenda forward. Obviously, we are much closer to 2012, 2015 or even 2020 than we are to 2050. A substantial body of evidence is available to us—including in the reports that you have mentioned—that shows



that what is required is a spend-to-save exercise, whether that is in transport, energy efficiency or alternative means of energy generation.

In that context, it does not seem inconceivable that we could come up with a five-year budget for taking the climate change agenda forward or that we could make regulatory assessments that reflect what you expect to introduce within a foreseeable budgetary period. I am talking not about the period to 2050 but about a period of five to seven years. It seems to me that that is eminently reasonable, but you have not attempted to do that. In principle, Parliament should not make big commitments to things that will be very expensive to deliver without some systematic attempt to quantify the costs.

**The Convener:** Briefly, please, Des.

**Des McNulty:** I accept that the bill is a framework piece of legislation, but it contains some specific proposals that have direct cost implications. You propose a regulatory assessment regime, and the bill will have a significant impact on the budgetary decisions of the Government and other public bodies. Some public bodies are vague about that, as we heard from COSLA last week. Do you accept that it is imperative that we get a much stronger financial memorandum than we have at present?

**Stewart Stevenson:** The member used the phrase “much stronger”. What I am being asked for is something that gives us a better insight into the costs than what is on the table. It is clear that we will gain further information, and we will update information. We will update the financial memorandum in the light of changes to the bill at stage 2 and publish further financial information as part of our policy response in the middle of next year. Therefore, quite a lot will happen.

On the range of costs relating to non-domestic buildings, for example, it is clear that the consultation on the next generation of building regulations will change things. Indeed, things will change quite dramatically in all sorts of areas, and they will change the numbers. The UK Committee on Climate Change will give information on costs and cost effectiveness.

The member mentioned spending to save. Doing so is, of course, correct. He also returned to what he said earlier about the need for early action. We need to get the balance right. Counterintuitive things will undoubtedly emerge, and we must be confident that taking a particular action will not cost us money that could be better spent in other ways. There are issues around that. Activities relating to adaptations are also being undertaken in the UK risk assessment that is due for delivery in around two years' time.

Costs will continue to evolve, develop and be reported on. We will change the financial

memorandum as we proceed and seek to respond to the comments of the Finance Committee and to those of the Transport, Infrastructure and Climate Change Committee when it reports.

**The Convener:** Des McNulty should be very brief.

**Des McNulty:** If you will the end, you have to will the means. It is not impossible to quantify within a relatively short timeframe what the means might be to get to the first step. I am looking for a sense of the financial commitment that the Government is prepared to make to tackle climate change, because doing so is not free.

**Stewart Stevenson:** Of course, Sir Nicholas Stern would say that it is cheaper to tackle climate change than not to do so. I am not suggesting that doing so is free—neither option is free; both will cost money—but until we table annual targets, for example, we cannot start to home in on key numbers that relate to the targets. There will be one financial figure if target A is set and a different figure if target B is set—members should note that I am not using numbers so that I do not create an opportunity for misunderstanding.

We will consider matters, but a great deal of work will take place over the period to 2050 and ministers will constantly have to report on costs. Indeed, ministers will need to produce budget lines in their annual budgets that will support and sustain what needs to be done to tackle climate change.

**Charlie Gordon:** In recent oral evidence, the Scottish Trades Union Congress expressed disappointment that a bill of such a magnitude is not accompanied by a jobs impact evaluation. Will you consider trying to develop such an evaluation?

**Stewart Stevenson:** We have been clear that we see significant opportunities for new jobs in Scotland because of our unique advantages, particularly in energy. We do not want to raise false hopes, but it is clear that there will be substantial employment benefits if we exercise leadership here, get engaged with the new industries, particularly the tidal energy industry, and continue to develop our hydro power and wind power resources—we have increasing offshore wind power resources. We do not see the bill as being a negative for employment; indeed, we take quite the contrary view.

16:30

**Charlie Gordon:** You make a familiar point. A number of witnesses have pointed to the potential that you describe, but none has been able to quantify it. I share your hopes of additional employment opportunities in Scotland. The STUC expressed the view that, if the bill is enacted, it is

entirely possible that some jobs may be lost in enterprises with intensive energy use. I am interested in hearing about where the potential downside for jobs may lie. Can we try to get to grips with both the net and gross positions?

**Stewart Stevenson:** We are looking at a potential uplift of 16,000 jobs. The Government's central purpose is sustainable economic growth.

**Charlie Gordon:** Is that a net figure?

**Stewart Stevenson:** The figure is for 16,000 new jobs—I do not claim that it is a net figure. However, in industries that will have to make changes in response to the climate change agenda, there will be considerable work in conversion and adaptation, as we add technologies. There will be the potential for employment opportunities even in the industries in which the greatest amount of change takes place.

I cannot give the member absolute certainty, but I can point to the UK Government's low-carbon initiative, which suggests that there may be 400,000 jobs in the low-carbon economy. In the longer term, the 16,000 figure that we have identified probably represents the least of our ambition and the least of the outcomes that we can expect, as the Administration in Scotland probably has the greatest set of opportunities in the UK. There will clearly be changes to carbon-intensive industries such as coal-fired generation. However, we are likely to continue to be a net exporter of energy; the proportion of our energy that is exported should rise even in the coal-fired sector. Although the specific skills may change, there is every chance that employment will continue to grow.

**Charlie Gordon:** I am looking not for absolute certainty—that would be unreasonable—but for the avoidance of uncertainty in the minds of thousands of people, given that we are in a recession. I am not suggesting that we abandon the bill because we are entering a recession, but we must understand that the recession has created a great deal of uncertainty in the minds of the working population. I ask you and your officials to consider doing a bit more work to identify all the potential job impacts of the bill—the downside as well as the upside.

**Stewart Stevenson:** The recession creates a set of challenges—that is why this is precisely the right time for us to focus our efforts on the bill's potential to create new jobs. In his report, Nicholas Stern focused on the opportunities that a low-carbon economy creates for any country that signs up to it.

Mr Gordon is correct to suggest that absolute certainty cannot reasonably be delivered. I am happy for us to do more work on the subject, but I do not want unduly to raise expectations about the

outcome. I repeat that there are likely to be considerable opportunities even in industries that are carbon intensive—perhaps more than in less-affected industries.

**Rob Gibson:** Under the Climate Change Act 2008, the UK secretary of state is required to report to the UK Parliament with an assessment of the risks for the UK of climate change. The bill provides that when that happens, Scottish ministers must,

“as soon as reasonably practicable”,

lay before the Scottish Parliament a programme that addresses the risks for Scotland that are identified in the report.

I am aware of the analysis of responses to the consultation on the Government's proposed climate change adaptation framework. People made the point that mitigation is a central issue and should not be regarded as simply complementary to adaptation. In theory, the Scottish Government might not need to produce a programme until at least 2012. Are you minded to publish detailed climate change adaptation documents before such documents are statutorily required to be laid before the Parliament?

**Stewart Stevenson:** You were referring to the first consultation on the adaptation framework, which was the first stage of our engagement with NGOs and wider Scotland. We propose to have annual progress reporting on the implementation of the action programme in the framework.

We seek to go somewhat further than does the UK Committee on Climate Change's adaptation sub-committee, in which scrutiny is limited to monitoring and commenting on progress of implementation. That is a narrow remit for oversight and I suspect that the UK Government will reconsider it—of course, that is entirely a matter for the UK Government. Three Scottish regions are used in the UK climate change projections. Our studies will be ambitious and we will push the methodology for real-life understanding of what is going on.

In general, adaptation has been running second to other matters in priority. It is good that it is rising up the priority list in the UK and in Scotland.

**Rob Gibson:** You said that you will be more ambitious. People think that the development costs that are associated with implementing climate change adaptation must be quantified at an early stage. There will surely be an impact on jobs, which Charlie Gordon asked about. It would be well worth being much more specific, so that you can gain people's confidence.

**Stewart Stevenson:** We will undertake a second consultation on adaptation, which will be based on what emerged from the first consultation

and will play an important role in developing a way forward. In the meantime, the Scottish Government is part of the UK adaptation sub-committee and is working co-operatively with a broader community of experts.

We will publish the adaptation framework later in the year. As part of the second consultation, there will be much direct engagement, for example through workshops with various bodies, to take matters forward and address the issues that you raise.

**Rob Gibson:** The committee heard evidence that there is a missed opportunity to increase resilience to the effects of climate change. What other options is the Government considering, which could be included in the bill?

**Stewart Stevenson:** It is not quite clear to me what those missed opportunities might constitute. Can you flesh out your question?

**Rob Gibson:** In the context of adaptation to increase resilience, we have been considering the work of the Scottish Environment Protection Agency and Scottish Water, for example. Government agencies and bodies might be able to take a lead. We have also heard about businesses that are gearing up more quickly than others for climate change. Spelling out the opportunities for increasing resilience could cover those matters and many others.

**Stewart Stevenson:** I made early reference to the May day network, which is involving businesses—the number that I mentioned was 140, which I think from memory is correct—in making commitments that are specific to their businesses. Sometimes, simple but important commitments are made. For example, a restaurant stopped using linen on its tables, because the linen had to be laundered. It went for a different arrangement to reduce its costs and adapt to the situation.

A key Government measure, with which members are familiar, is the Flood Risk Management (Scotland) Bill, which is making its way through Parliament. That deals with a huge mitigation issue that involves working with industry.

We have facilitated discussions with a range of public bodies. A lot of work is going on. We are supporting the May day network and working with the climate change business delivery group. We are seeing the progress that we need. Transport Scotland has just completed a study on landslides and we will work up an appropriate response to that. A range of activities is being undertaken throughout the Government to address the issue.

**Rob Gibson:** I attended the event on Thursday evening, which was inspirational. It showed that

business leaders are taking an important stance that is in some ways far ahead of what we had thought possible.

A plea was made in evidence for the Water Environment and Water Services (Scotland) Act 2003 to be amended to include adaptation. Will the Scottish Government consider that?

**Stewart Stevenson:** I do not think that we have considered that suggestion, but I am happy to take it away and examine it.

Legislation is one way of doing things, but it is important to work with industry, agencies and NGOs to ensure that things happen. I have just been told—I did not know this before, that is for sure—that sustainable flood management is already part of something that is called the WELLS act—[*Interruption.*] I beg your pardon—it is the WEWS act. Philip Wright's writing is becoming a bit unclear.

**Des McNulty:** When we first debated the issue in the chamber, I said that the bill's major deficiency was its lack of a public engagement strategy and targets. Have you had time to reflect on that? Do you intend to propose anything at stage 2 on public engagement? Are you willing to consider amendments on that?

**Stewart Stevenson:** Public engagement is not about primary legislation, if I may say so. It is a natural and normal part of the process. I make the general point that the consultation on the bill elicited 21,000 or so responses. Every one was considered individually, although a substantial number were part of an integrated campaign and were none the worse for that. Many responses were on pre-printed postcards that individuals who wanted to add information had annotated, so we engaged with that.

A substantial process of engagement has been undertaken. As I mentioned, we will run a series of workshops for the second consultation on adaptation. We will engage with a range of sectors, because different sectors have different needs—the business sector has a different set of needs from the voluntary sector. We will step up the game on engagement.

**The Convener:** Round 1 has lasted a little longer than we expected, but the subject is important and I am glad that everyone had a chance to explore the issues.

I suspend the meeting for five minutes, after which we will proceed with round 2, which is on the forestry and waste aspects of part 5.

16:45

*Meeting suspended.*

16:52

*On resuming—*

**The Convener:** The second part of our evidence session will focus on forestry and waste issues. The minister wants to say a brief word before we get started.

**Stewart Stevenson:** I just want to clarify something that I said earlier. I was misled by reading someone else's writing and, hence, I have potentially misled the committee. I clarify that there was not engagement at official level in relation to the Conveners Group. In other words, as I said later in my remarks, the offer that we made was essentially a political one. To avoid allowing that misstatement of facts by me to go any further, I correct it now for the record.

**The Convener:** Thank you. I appreciate that correction. You were under a bit of a blizzard of notes at the time, so the mistake is understandable.

To an extent, forestry and waste issues have been dealt with by secondary committees—the issues have been discussed here and in the other committees. Frustration has been expressed that the policy areas that are covered in the bill are still the subject of consultation processes. Does the Government consider it good practice to introduce legislation in policy areas for which the consultation process has not yet been completed and the results are not yet known by parliamentary committees, whose job it is to scrutinise that legislation?

**Stewart Stevenson:** We would certainly prefer to have completed the consultations, wherever we can, not simply to inform the deliberations of committees, important though they are, but to give us a different basis for proceeding. I would prefer to avoid the situation that you describe.

We have had a range of consultations of one sort or another on the cases that we are talking about. Nonetheless, we are continuing to get new information on a range of subjects, which will continue to inform the way forward. I made the point before—I think that the convener acknowledged this before the suspension—that we are willing to engage in further evidence sessions at stage 2 if that is felt to be of assistance to the committee. That is part of how we would seek to ensure that the existence of consultations that are as yet incomplete does not materially inhibit Parliament's ability properly to deal with the policy areas that have been referred to.

**The Convener:** I find it a little hard to see how committees can be expected to endorse the inclusion or implementation of measures in the bill when we are not yet aware of the full responses of

the range of stakeholders that might want to contribute to the consultation process.

**Stewart Stevenson:** We have sought to engage with committees by putting up the appropriate officials and ministers to ensure that we inform Parliament of the decision-making processes behind the inclusion—or, for that matter, omission—of different provisions in the bill. A wide range of issues can emerge, given that quite a lot of research is taking place. For example, the AEA Technology study “Mitigating Against Climate Change in Scotland: Identification and Initial Assessment of Policy Options” was only recently produced.

It might be helpful to confirm—I think that I said this before the suspension—that we do not intend to make any new policy additions to the bill at stage 2. That should give members some reassurance. It is also worth pointing out that the Rural Affairs and Environment Committee was given access to the preliminary analysis of the forestry consultation responses within two weeks of the close of the consultation period. However, I do not seek to dismiss the substantive point that the convener has made.

**The Convener:** Thank you. Can I take it that the Government also understands that, even if new policy content is not added to the bill at stage 2, substantive changes to the legislation will put us in a similar position, in that we will not have the full range of responses from stakeholders or an analysis of their positions?

**Stewart Stevenson:** I absolutely accept that, although I could draw some parallels. I recall that, in opposition, I was intensively involved in the Land Reform (Scotland) Bill, which was the subject of more than 1,000 amendments—I cannot remember the exact number, but it was very substantial—by the end of stage 3. Substantial policy changes were made to that bill at stage 3 because the dynamics of the process of developing a bill can lead to that sort of position. However, I do not think that we are in that position with the Climate Change (Scotland) Bill.

The convener asked me at the outset whether I accepted that it would be better that consultations were not undertaken at this stage. I absolutely acknowledge that, in an ideal world, that would be the case. However, I think that we are doing as well as we can. We will work closely with the parliamentary committees.

**The Convener:** I have a final question on the matter, which I recognise is an issue of process. Does the Government accept that, if it proves necessary for committees—either this committee or other committees—to take further evidence at stage 2, the need for further evidence taking will

conflict to some extent with the Government's ambition for a speedy legislative process?

**Stewart Stevenson:** I want to have the speediest possible process—I suspect that that view is probably widely shared—but, given that we are putting in place legislation that will cover the period to 2050, I do not think that ministers should get unduly aerated about an additional week or two. It will be helpful to both parties if the committee and the Government can communicate in a way that gives each the earliest possible indication of any change that might be thought to be of such concern that people might wish to consult on it. If the committee can give Government an early indication of areas of concern arising from our stage 2 amendments—the committee will be in a position to take a view on that as we lodge those amendments at stage 2—I am sure that we can work together on that.

17:00

**David Stewart:** As you are well aware, there has been a lot of controversy about the forest leasing scheme that one of your fellow ministers proposed. Under the scheme, 25 per cent of the forest estate would be leased out over a 75-year period. You may also know that I lodged a series of parliamentary questions on the subject and that I have raised the issue a number of times, including in the recent debate.

Time does not allow me to go into the proposal in detail, so I will keep my remarks brief. From the answers that I received, the bottom line is this: the idea came from City of London bankers Rothschild, which—as the minister knows—was Margaret Thatcher's favourite privatisation bank. The proposal has been widely condemned across the political fold and the vast majority of consultation responses were extremely critical.

As the Rural Affairs and Environment Committee report shows, all the evidence that it received on the issue was critical. That committee recommended to this committee that the Government should not progress the leasing proposal and that it should amend the enabling section of the bill to that end. As the minister knows, the unions and rural and urban communities, too, have widely condemned the proposal. My instinct on this, albeit that it could be wrong, is that the Government will pull the proposal; the question is simply when that will happen. I give the minister the opportunity today to withdraw the proposal, which is badly thought through. Leasing would be disastrous for rural communities, damaging for jobs and—frankly—would not do a lot for climate change.

**Stewart Stevenson:** It is important to consider what the Government is trying to achieve with

Scottish forestry. We are trying to ensure that we up the ante on planting. Of course, we have a new Minister for Environment who has, under her portfolio, primary responsibility for this part of the bill. We received more than 500 responses to the consultation on the forestry proposals. Many parts of the proposals have been welcomed, particularly those on joint ventures.

The consultation closed on 27 January. The Minister for Environment has said, quite properly, that the proposal is a key area for her consideration. She is reviewing the consultation processes and discussing the issue with officials. I am sure that she will come to an appropriate decision. We have, quite properly, to allow the new minister time to consider the consultation responses and the objectives that the Government had in mind when it made the provision to which the member refers.

**David Stewart:** My next question is linked to the first one. The vast majority of people who took part in the consultation on the bill were highly critical of the leasing proposal. However, there is a bit more support for joint ventures. As the minister knows, that aspect was supported by the Labour-Liberal Democrat Administration. The minister and his fellow ministers have my support for the work that is being pursued on that front, particularly in renewables projects. Could you bring forward only that aspect of the proposal, perhaps by way of a stage 2 amendment?

**Stewart Stevenson:** Unless I have misunderstood the situation, the provision on joint ventures meets needs. Support for that provision is shared across the Parliament. Indeed, political representation can make a contribution in going forward on the issue. If members consider that it would be useful for amendments to be lodged, I would be interested in engaging with them on the subject. I broadly welcome the acknowledgement that the inclusion in the bill of the forestry provisions is a good thing, and something that will help the climate change agenda.

As I said, on this aspect, as on all of the provision, the Minister for Environment is looking at the issue. I welcome the member's broad acknowledgement that, on this aspect, the Government is aiming in the right direction, even if he remains substantially sceptical on one particular provision.

**Rob Gibson:** The minister mentioned the consultation responses. Did any of the people who opposed the leasing proposals, which have been controversial, make any other proposals that might help us to raise funds so that we can help to plant more forests at an early stage to mitigate climate change?

**Stewart Stevenson:** The comments in the consultation have focused largely on what should not be done. However, to bring a sense of balance, I should say that there has been substantial support for the proposals on joint ventures and substantial acknowledgement of the important role that forestry plays in Scotland's climate change agenda. Our forests represent a huge way by which carbon is extracted from the atmosphere. We are planting something in the order of 4,000 acres of forestry a year. I beg your pardon; I meant 4,000 hectares a year—I am afraid that I have not gone fully metric yet. We need to get that figure up.

Some respondents suggested that we consider sales of Forestry Commission land, but we have never found that idea particularly attractive. Others suggested that tax changes might help to encourage woodland policy, but we have, of course, very limited powers—by which I mean no powers—to undertake such changes. However, we want to work closely with the UK Government on the climate change agenda, and it might be interesting to know its views on that subject.

**Rob Gibson:** You say that nobody really came up with positive proposals. Given that we are in a devolved situation, I find it incredible that critics can be so negative without suggesting how things should be done. You have made it clear that taxation is not within our power. Once again, we are left to await developments from the UK Government to decide whether to go ahead with what has been proposed.

**Stewart Stevenson:** Taxation is clearly a Westminster issue. I am not aware that people there are directly considering the subject at this stage, so we should not unduly criticise them. Indeed, I am not criticising people who respond to consultations. Consultations involve hearing support for and encouragement to modify what one is doing, and sometimes outright hostility to things that might be done. That is a normal and natural part of the consultation process. The new Minister for Environment is taking time to consider the matter, which is the right thing to do.

**The Convener:** I realise that I neglected to welcome the officials who have joined us as part of the second panel. For the record, I welcome David Henderson-Howatt, who is a policy adviser for Forestry Commission Scotland, and Kevin Philpott, who is a Scottish Government waste regulation senior policy officer. I apologise for the lateness of my welcome.

It is clear that forestry is a hugely important aspect of wider land use policy to tackle climate change. How does the Government respond to the argument that was made by some environmental NGOs in the consultation that we should consider

a wider, holistic approach to land use rather than forestry in isolation?

**Stewart Stevenson:** Land use more generally is an important issue. We know, for example, that peat bogs and wetlands throughout Scotland are important carbon sinks, and I acknowledge that it was proper for people who responded to the consultation to raise a range of land use issues. Indeed, we know that agriculture, which represents a key part of land use, contributes significantly to greenhouse gases.

We have initiated a wider land use study and Forestry Commission Scotland has published a climate change action plan. Therefore, quite a lot is going on. Particularly useful things have emerged from the consultation, as they often do from consultations.

**Shirley-Anne Somerville:** The bill's enabling framework means that the waste provisions could work together as a package or be introduced as stand-alone measures. What work has been done to measure the impact on emissions reductions of each of those policies?

**Stewart Stevenson:** We have a number of figures, although not a complete set. We estimate that waste management currently accounts for 2.5 per cent of greenhouse gases, which is a broad figure that includes transport, collection, processing and landfill gas emissions. It has been suggested that the true figure might be as high as 6 per cent, but in any event it is a key area in which we need to take action.

There will be a reduction of about a million tonnes of CO<sub>2</sub> per annum if we hit our zero waste targets by 2025, which is roughly equivalent to around a third of a million cars coming off our roads. It is therefore clear that waste management needs to be an important part of our agenda.

**Shirley-Anne Somerville:** Has there been any measurement of how the provisions in the bill that could be introduced later would assist those emissions reductions? How much would each provision contribute?

**Stewart Stevenson:** As is the case with a range of issues that would be progressed by secondary legislation, we would detail the impact when we introduced the order. The member properly points to the relatively wide way in which we have written the provisions into the bill. Critically, the impact would depend on the detail of the proposals that were introduced under secondary legislation powers.

**Des McNulty:** I draw the minister's attention to section 59, which provides for charges for the supply of carrier bags. This committee and the Rural Affairs and Environment Committee have received evidence that criticises the inclusion of

that provision, and there are a number of strands to the criticism. One is the fact that a similar proposal was examined by the former Environment and Rural Development Committee and unanimously rejected.

Another argument is that, whatever case you make for taking such an approach to plastic bags, you cannot make a climate change case, because the substitution of paper bags or higher-density bags for single-use plastic bags generates higher emissions. Given that your arguments are so heavily based on evidence and are geared towards reducing emissions, will you reconsider whether the proposals in section 59 are appropriate in a bill on climate change?

**Stewart Stevenson:** I draw the member's attention to the fact that the provision is not about plastic bags but about carrier bags in general, whether they are paper, plastic, woven, hessian or whatever. It is about focusing on individual users of shops and supermarkets and getting them to re-use their bags.

It is interesting that the public and supermarkets have already responded to the issue. Action is being taken: there has been a 26 per cent reduction in the use of bags over the past couple of years—2006 to 2008—which has been very much driven by the large supermarkets. The provision in the bill is a backstop to ensure that progress continues to be made.

We must remember that the feed stock that is used to produce plastic bags is oil, which we will increasingly want to use for other purposes—not necessarily transport, but the chemicals industry generally. Although the provision is a backstop, it is an important part of the bill. In a sense, it pushes at an open door, but its inclusion ensures that the progress that is being made will continue.

17:15

**Des McNulty:** The Cabinet Secretary for Rural Affairs and the Environment stated that there are signs that, as you suggested, progress is being made through the voluntary agreement on reducing the number of carrier bags given out by 50 per cent by May 2009. If that target is achieved or looks like being achieved, will you reconsider the charging proposal?

**Stewart Stevenson:** The proposal would give ministers the power to make regulations, which would be subject to the usual parliamentary process. It is a good opportunity to pick up on an agenda that has widespread, if not unanimous, support. We are not minded at present to make any changes to section 59 as it is important for ministers to have the power to use in future. A 50 per cent reduction by later this year, which is possible, would be good progress, but it would not

make the provision redundant because 50 per cent would remain to be dealt with. It is sensible to have such a provision, and surveys have shown that a substantial majority of the population is in favour of charging for carrier bags.

**Des McNulty:** The measure was the most criticised and negatively received in the consultation. You said that it is valuable as a backstop but have not made a substantive case for its inclusion in the bill. You said that you might wish to use it if other measures do not work, but you have not provided any justification for its effectiveness. You are proposing legislation that is fundamentally about climate change, but it is hard to tie the measure to positive climate change outcomes. Is its inclusion in the bill justified? If you want to introduce it, there is an argument for introducing separate legislation on it, but I am not sure that it is justifiable to include it in the bill.

**Stewart Stevenson:** I will make a number of responses to that. First, charges for carrier bags are part of the UK Climate Change Act 2008. In itself, that does not justify our introducing charges, but it gives me a little political cover with the member, if I may so put it. On a consensual occasion such as this, I will not push that point particularly hard.

The need for early action has come up on two or three occasions. The carrier bag issue is multifaceted: it certainly concerns the consumption of carrier bags but it is also of broader relevance to the consumer society. If, for whatever reason, people had less bag space to fill when they went to the supermarket, they might be more focused on whether they needed to make purchases. I do not know whether charging for carrier bags would have effects beyond the consumption of carrier bags and would mean that less waste food was purchased because there was less space but, over the long term, it could influence behaviours much more widely than simply encouraging people to stick a couple of old carrier bags in their pockets before they go down to Tesco.

The provision has the potential to influence behaviours in ways that undoubtedly support the climate change agenda by reducing the consumption of what are perhaps unnecessary quantities of goods. That feeds into the reduction of the manufacturing carbon cost of the associated items and the transport costs of goods going from wholesalers and distribution centres to supermarkets. Although the provision seems like a small part of the bill and not to have a large impact when we consider it in a narrow sense, it is in fact one of those interesting measures that opens the door to a wide range of second-level and third-level effects that might deliver quite a bit. I therefore have no great difficulty in justifying its inclusion in a bill about Scotland's climate.

**Des McNulty:** You would be on much firmer ground, quantifiably, if you banned packaging associated with pre-packed food or if you introduced measures in your role as planning minister to prevent supermarkets from having such large car parks. Either measure would deliver much better climate change outcomes.

I will move on to discuss commercial and industrial waste, which comes under sections 52 and 53. How will you balance the need to be sensitive to the requirements of business with the need to address climate change? More specifically, what is the Government's latest thinking on waste for energy, which has a double benefit in this context?

**Stewart Stevenson:** I am delighted to have the implied support of the member for expanding the powers of the Scottish Government so that we could ban packaging, which we cannot do with our current powers.

The member talks about converting waste to energy. As it happens, yesterday I visited Artemis Energy near Motherwell, where I saw a wide range of materials—some of which I would not wish to discuss in public, because they're no very nice things—that are converted into energy. We are very interested in further progress being made on that. The support for biofuels through the tax regime has changed a bit, but they can still make a useful contribution.

The issue of waste is important for business. The more waste any business produces, the more material it is paying for but not using, and the more material it is having to dispose of and pay someone to take away. Business in general is pretty much seized of the waste agenda. I visited the Tesco distribution centre in West Lothian a few months ago, and I saw that huge efforts are being made to get cardboard in from all the branches and to deal with waste issues. If the company had less cardboard, it would cost less to deal with it.

One of the Ayrshire councils has the highest rate of recycling at the moment, with a 25 per cent cap on the initial—*[Interruption.]* I beg your pardon: the cap of 25 per cent is for energy from municipal waste. The issue is about recycling and prevention rather than anything else and, as such, it is proper that we should deal with it in the bill.

**The Convener:** There are no further questions for the minister, in which case we have got through round 2 rather more quickly than we got through round 1. I thank the minister and both the groups of officials who joined him for their time and for answering our questions.

We have already agreed to take item 3 in private.

17:24

*Meeting continued in private until 18:05.*



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