



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

Tuesday 5 October 2010

Session 3

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TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE
22nd Meeting 2010, Session 3

CONVENER

*Patrick Harvie (Glasgow) (Green)

DEPUTY CONVENER

*Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

Jackson Carlaw (West of Scotland) (Con)
*Rob Gibson (Highlands and Islands) (SNP)
*Marlyn Glen (North East Scotland) (Lab)
*Charlie Gordon (Glasgow Cathcart) (Lab)
*Alison McInnes (North East Scotland) (LD)
Shirley-Anne Somerville (Lothians) (SNP)

COMMITTEE SUBSTITUTES

*Alasdair Allan (Western Isles) (SNP)
Murdo Fraser (Mid Scotland and Fife) (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

LOCATION

Committee Room 6

Scottish Parliament

Transport, Infrastructure and Climate Change Committee

Tuesday 5 October 2010

[The Convener *opened the meeting at 14:00*]

Decision on Taking Business in Private

The Convener (Patrick Harvie): Good afternoon. I welcome everyone to the 22nd meeting in 2010 of the Transport, Infrastructure and Climate Change Committee and remind you that all electronic devices should be turned off and not just switched to silent. We have received apologies from Jackson Carlaw and are expecting Alasdair Allan to turn up as committee substitute for Shirley-Anne Somerville.

The first of the five items on our agenda is to decide whether to take in private item 4, which is consideration of our approach to the proposed Scottish Water bill, and item 5, which relates to the appointment of an adviser on the draft budget. Does the committee agree to take those items in private?

Members *indicated agreement.*

Subordinate Legislation

Climate Change (Annual Targets) (Scotland) Order 2010

14:01

The Convener: Item 2 is consideration of subordinate legislation. Returning to the issue of climate change targets, I welcome back to the committee Stewart Stevenson, the Minister for Transport, Infrastructure and Climate Change; David Wilson, director of energy in the Scottish Government energy directorate; Steven Kerr, senior policy adviser on climate change in the implementation division of the Scottish Government; Claire Wainwright, economist with rural and environmental analytical services in the Scottish Government; and Andy Crawley, who is a lawyer with the Scottish Government.

Members are familiar with the process. First, we will take evidence from the minister, whom I will invite in a moment to make some opening comments, and members will have some time to discuss the issue. We will then move to formal consideration of the order, during which members will have the opportunity to make comments, but there will be no extended discussion.

I ask the minister to make some opening remarks in which, I hope, he will tell us about the key changes that have been made in the order compared with the previous version that Parliament examined.

The Minister for Transport, Infrastructure and Climate Change (Stewart Stevenson): Thank you for that hint, convener. Accordingly, I have drawn some other information into the statement that I am about to make.

First, I thank the members of the short-life working group for the very constructive engagement that we had over the summer and into the beginning of the parliamentary year on the setting of annual targets. In particular, I formally record my thanks to Mike Robinson, who chaired the group in a thoroughly professional and impartial manner.

I also want to put on record what I said to the group. Despite the circumstances under which the group was set up, I felt that, in practice, it was quite a useful model that allowed some committee members to deal with a complex issue containing a lot of underlying information. Although it would be for the committees of the Parliament to decide their own way forward, the approach might indicate the usefulness of such informal and in-depth briefings and the committee and others might wish to think about taking such a route.

The targets in the draft order are much more stretching than those in the previous order. In particular, the previous order said that the target would be 55,913 kilotonnes of CO₂e; the new target is 53,652 kilotonnes, which is 3.5 per cent lower and represents a substantial move from the previous position. The cumulative reduction against the baseline over the first four years is approximately 11 per cent. I say “approximately” because the 2009 figure has not yet been reported. As it is not possible to give an exact figure for the reduction, we have had to deal in the order with absolute figures. A slight misunderstanding might have arisen over what appears to be a zero reduction in 2010; in fact, the reduction in 2010 is as yet unknown.

As we know, we face quite considerable challenges and this order reflects the nature of the opportunity and the need to move on the matter. Of course, efficient use of resources will be a vital part of the low-carbon economy. I know that committee members have been eagerly awaiting the Scottish Government’s energy efficiency plan, which I am pleased to confirm will be published later this week. I have sent an embargoed copy to the conveners of this committee and the Economy, Energy and Tourism Committee; if they have not yet received it, I hope that it will arrive later today. The document, which I also hope will be welcomed by all parties, will set out a clear plan of action to deliver energy demand reduction and resource efficiency measures across Scotland’s domestic and public sectors.

I am happy to take questions and to interact with members, convener.

The Convener: I think that you described the targets in the revised order as “much more stretching”. What has been the specific reason for that change? Obviously the short-life working group has discussed the matter, but I wonder whether you can describe why and how the targets have been changed.

Stewart Stevenson: What underlies the new numbers is further advice from the United Kingdom Committee on Climate Change which, as you know, also advises us in Scotland. The new numbers also reflect greater understanding of the effect of the changes in the economy and, of course, by setting out in the draft order figures that reflect the climate change committee’s more recent analysis, we also reflect the up-to-date position of the Government’s policies and practices.

Although the figures have been reduced largely because of changes in the economy, the challenge has also increased significantly. When the economy starts to recover, we have to ensure that there is no rebound that might raise the figures to a different profile. Although the starting

point is 3.5 per cent more challenging than that in the previous order, that has been mapped across the graph for the next few years. As a result, the change creates policy challenges as well as reflecting the changes that derive from a shrinkage in economic effort.

The Convener: You say that the effects of recession account for the main difference between this set of targets and the previous set of targets, but I am unclear as to who exactly will be stretched by these targets. I presume that when you use the term “stretching” you are referring to the effort that has to be made to reach them. When we discussed the previous set of targets, you estimated a 0.5 per cent reduction next year and a 1 per cent reduction the year after that. The trajectory that is described in the new targets starts from a lower point because of the recession but, according to the paperwork in front of us, there will be a 0.5 per cent reduction next year and a 0.3 per cent reduction the year after. The reductions in the first couple of years are therefore lower, less ambitious and less stretching than they were in the previous order.

Stewart Stevenson: That is the case only if you look at them on a percentage basis. If you look at the actual numbers, you can come to a different conclusion. In the order, we are having to account for and respond to the unmoderated effect of increasing economic activity contributing more carbon dioxide.

In percentage terms, it is relatively flat, but there is a significant gap, which continues for a number of years, in the early part of the programme—precisely the area on which there was considerable debate last time—between the curve that we now have and the previous curve, which means that we will have to contain the figures at a lower level than was the case previously. That is a significant challenge that will require Government to take action to ensure that there is no rebound. A large proportion of the reduction of 2,000 kilotonnes in the absolute number comes from a diminution in economic activity. We have now built in a significant challenge of keeping the figure down at that level even though economic activity will start to resume. We are beginning to see evidence of increased economic activity.

There is a substantial challenge for Government and for everyone in the public sector and the private sector to respond to some very significant numbers. Of course, they will still get us to the destination that Parliament agreed, which is a reduction of 42 per cent by 2020. There is a straight line in the latter part of the period.

The Convener: I accept that, if the targets are met, cumulative emissions over the trajectory will be lower than under the previous order. I am driving at the progress that will be made in the first

few years. I suggest that it does not make a great deal of difference whether we look at the percentage reductions or the absolute reductions. The previous order suggested a 1 per cent reduction in 2012, based on a higher level of emissions for 2011. Now we are looking at a lower level of emissions in 2011 and only a 0.3 per cent reduction in 2012. Regardless of whether the reductions are expressed in absolute or percentage terms, what will happen in 2012 that will achieve lower emissions reductions than you were suggesting a few months ago?

Stewart Stevenson: I return to the numbers. The figure in the previous order was 55,077 kilotonnes; the figure in the new order is 53,226 kilotonnes. That is a very substantial reduction from the previous order.

The Convener: I am talking about the difference between the two years—the reductions that will be achieved in 2012.

Stewart Stevenson: I do not dispute that the line is relatively flat. I am making the point that there is a continuing need for significantly lower numbers year on year—in every year—compared with the previous order. The effect of banking the reduction in 2010 stretches almost all the way to 2020. By getting and sustaining that early reduction from the figures in the previous order, we get precisely what the committee and Parliament were seeking when we last discussed the subject—early reductions.

The figures for 2010 and 2011 have been reduced from 55,913 kilotonnes to 53,652 kilotonnes and 55,633 tonnes to 53,404 tonnes respectively; the figure for 2012 is down by nearly 2,000 kilotonnes. For 2013, there is a reduction of almost 2,400 kilotonnes. I could go on. The profile of the curve is substantially lower than the previous curve that was proposed, so that we capture the benefit from reduced economic activity that we have delivered to the climate change agenda but require, in the face of returning economic activity, that the curve keeps heading downwards towards the 42 per cent reduction that Parliament unanimously agreed for 2020.

The Convener: I will have one last go at the issue. I am talking not about the figure for each year but about the difference between one year and the next. In the previous order, we saw a sharper reduction in percentage terms and a larger reduction in absolute terms between, for example, 2011 and 2012 than we see in this order. I am trying to understand what the Government now expects to happen in that year that will lead to a lower emissions reduction between 2011 and 2012 than it expected a few months ago.

14:15

Stewart Stevenson: No. The reduction in the figure for 2012 is 1,800 and a bit kilotonnes compared with the figure in the previous order. The reduction in the figure for 2011 is 2,229 kilotonnes.

The Convener: You should read along the page in the other direction in the statement that accompanies the draft order. I am not asking you about the different targets for 2011 and 2012 in the previous order and the current order. For each order, there is a difference between the emissions in 2011 and 2012. A larger reduction was proposed between 2011 and 2012 in the previous order than is being proposed in the current order.

Stewart Stevenson: We have dragged the reductions substantially forward—we have increased the reduction in the first year by 2,361 kilotonnes.

The Convener: That is the result of a calculation of the effects of the recession; it has nothing to do with Government policy.

Stewart Stevenson: I did not say that that has nothing to do with Government policy.

The Convener: I am asking you about that.

Stewart Stevenson: The bottom line is that, by maintaining that position, we are creating significant challenges in each subsequent year. That is the key point, and it precisely addresses the point, which the committee and Parliament made to the Government, that early action is required. Essentially, we have moved and sustained for years to come that substantial reduction. We have the bonus of getting that through reduced economic activity, but we have set ourselves the challenge in the figures that we have put before the committee and Parliament of preventing emissions from returning when economic activity returns. Members should not underestimate the nature and scale of that challenge.

Cathy Peattie (Falkirk East) (Lab): The convener has covered issues that I wanted to discuss, and I am grateful for the answers that the minister has given.

Things are moving in the charts, but are emissions lower simply because of the recession and our starting at a different point? If we look at the chart, we will see that the figures come to around the same for 2018. There does not seem to me to be very much difference in the way that the emissions have come down because we have started at a lower base.

Stewart Stevenson: It should be remembered that we are not aiming for a different result in 2020. Lest anyone say this, there is a slight

difference in the 2020 figure because there has been a slight revision in the 1990 baseline. However, the same target was incorporated in the act. Members will see that it has risen by 110 kilotonnes, but that is because of an adjustment in the 1990 baseline. I wanted to get that out of the way.

The figure for 2020 in the new order should be the same—indeed, it is the same in statistical terms—as the figure in the previous order because our target for 2020 is 42 per cent. Therefore, we would not expect the figure to be different. With an earlier reduction—we now have a reduction of 2,000-plus kilotonnes in the first year—we would naturally expect to see the figures converging as 2020 is approached because the 2020 target remains the same as it always was.

Cathy Peattie: Okay. What assumptions have been made about increased emissions due to the increase in economic activity resulting from recovery from the recession?

Stewart Stevenson: I accept that exactly what the curve of economic activity will look like is a matter of conjecture. Economic activity has started to rise in Scotland and the United Kingdom as a whole, and we expect that increase to continue. However, the bottom line is that we have said that, as that economic activity rises, we must meet and surmount the challenge that there will be in the programmes and policies that we will bring forward later this year. As every week and month passes and more economic information is available, we are getting a better, although still partial and incomplete, view of what the economic recovery will look like. In the targets, we are committing to ensuring that we do not allow that increased economic activity to feed through into increased greenhouse gas emissions.

Cathy Peattie: In what way will we take that increase into account in setting targets in the future? If you are looking for increased economic activity, how will that be measured and what does it mean for the targets that we have in front of us?

Stewart Stevenson: I do not quite understand what is being put to me, so we might need further interchange. We have asked the UK Committee on Climate Change to provide us with advice, which it has done. I think that the convener has had the opportunity to look at some of that work.

The advice contains a set of assumptions about economic activity, and we have taken decisions based on those, but not exactly: we are challenging ourselves more. We cannot say with any degree of certainty where exactly the economic activity curve will start to accelerate back, nor can we say in which sectors of the economy that activity will happen.

If the banking sector, for example, was to play a major part in the return of economic activity, there would not be a huge greenhouse gas emission directly associated with that, whereas there would be with the manufacturing sector. We need to understand how economic activity will increase and what the balance will be in sufficient detail before we put down something absolute on that.

The imprecision is so great that we are doing what we have been asked to do throughout the climate change debate, which is to set targets to ensure that the temperature on earth does not rise by more than 2° or so. We will find that the targets drive the actions that we need to take to ensure that we meet those targets.

The targets do not reflect simply what we think will happen in the future, but what needs to be done to deliver on the climate change agenda. That is why we set the targets in the Climate Change (Scotland) Act 2009 that we passed last year in advance of bringing forward the policies and plans to show how those targets would be implemented.

Cathy Peattie: You spoke about a number of projects that the Government plans to bring forward in the coming months, and I am interested in some of those. The working group, which I agree is a good way forward, considered a number of issues relating to pilots. I am interested in where those pilots—on smarter choices and funding for Historic Scotland refurbishment, for example—are at present. There are many good pilots and good ideas, but I am interested in whether those pilots are happening and what the actions and outcomes are. I have given two examples, but other ideas have been discussed.

Stewart Stevenson: We will bring forward our policies and plans, which will show what we are planning to do. That will, as we have said, be aligned with the budget cycle.

It is worth making a general observation on the pilots. The short-life working group considered many of the options that are available to us all in taking the agenda forward. Even if we choose good pilots, I would not expect every one to have a positive outcome. We should be prepared to accept that precisely because the pilots seek to help us, through relatively small interventions and investments, to work out which projects it is worth putting the bigger money into.

The work that we have already done reveals a wide range of return on the public pound from taking various approaches to different things. We will say more about the pilots as part of a series of announcements on policies and plans later this year.

Cathy Peattie: So, the pilots are not happening as such at the moment.

Stewart Stevenson: As you know, we are already doing work on smarter choices, and we are doing some work with Historic Scotland—we have commissioned research. It is a question of doing more and starting to engage with the real world through some pilot interventions, which we would like relatively quickly to give us an insight into the most cost-effective ways of delivering reductions in greenhouse gas emissions. For example, we talked about green buses in the short-life working group. We have a substantial range of initiatives that we are continuing to engage with and will bring forward in due course.

Charlie Gordon (Glasgow Cathcart) (Lab): I will press the minister a wee bit further on technology relevant to climate change. I refer him to annex A of the statement accompanying the draft order. The pages in the annex are not numbered—one of my pet hates.

Stewart Stevenson: Mine too.

Charlie Gordon: In section (c), which is headed “technology relevant to climate change”, there is mention of the potential significance of research into and development of low-carbon vehicles and the development of refuelling and recharging systems for low-carbon vehicles. Will you tell us a little more about the green bus fund? Yesterday was the closing date for funding applications from the bus industry. How many applications have there been, and what is their total value? Is it still the case that Transport Scotland is leading a consortium to tap into a UK Government fund for charging and refuelling systems for low-carbon vehicles?

Stewart Stevenson: If I fail to pick up every point, please draw that to my attention—there were quite a few.

Let me start with the last point on charging points. Yes, we are preparing a bid for the UK’s charging points scheme, the name of which temporarily escapes me. It will give us some of the money that is necessary, but we will need to provide money ourselves—if I recall correctly, it is match funding. We are proceeding with that, and our initial thinking is that we will seek to put charging points in a corridor that links with a corridor in the north of England. We are therefore taking a UK view, without disregarding the boundaries, so that we can create corridors of significant length. That is dependent on getting the funding in place.

We will get the maximum bang for our buck by tackling corridors with relatively high-density and well-understood traffic flows. It is worth making the point that trickle-charge points are quite cheap, but high-speed charge points are relatively expensive—and we need to introduce them.

On the green bus fund, I am afraid that the member asked for something that I do not have to hand. I will get that information and provide it to him and the committee. I do not know to what extent the full subscription has been taken up or whether there has been oversubscription. I would certainly like there to be oversubscription, as that would justify some of the things that I have said previously.

On research into and development of low-carbon vehicles, I think that it is worth making a general and obvious point that I suspect most people would agree with: Governments of whatever complexion do not have a particularly good track record when it comes to betting on which technology will win in the future. There is a wide range of low-carbon vehicles, and the most mature technology is based on electricity. That has been around for some time, so we know that it works and we know roughly what to do about it, although there is a lot of research still to be done to improve battery technology. Scotland has some advantages in that regard, particularly in relation to the research into batteries that has been done in Dundee.

Western Isles Council and the Post Office have a demonstrator project involving a van that runs on methane. I am getting a nod from someone who knows—

14:30

Alasdair Allan (Western Isles) (SNP): It runs on hydrogen.

Stewart Stevenson: I beg your pardon. It is always nice to be corrected by committee members.

The van is run on hydrogen from council sources. There are at least four different ways in which hydrogen can be delivered to engines, one of which means that existing diesel engines could run on hydrogen fuel.

We are anxious that all those technologies should get a decent run forward. I suspect that some of the work on that will be done outwith Scotland and some will be done within Scotland. Our immediate priority, however, is to start to create more of the electric infrastructure that will be valuable, not least because car manufacturers are starting to move significantly into delivering mass-market electric cars. Furthermore, the £5,000 subsidy that the UK Government provides to someone who buys an electric car will become increasingly attractive as the range of electric cars available increases.

Alison McInnes (North East Scotland) (LD): You will know that throughout the progress of the Climate Change (Scotland) Bill I consistently

argued for early action, so I am pleased to see the significant improvement that the revised targets represent. They lock in the early action, and the cumulative emissions will be lower.

I want to ask about the cumulative emissions budget. You will know that the Climate Change (Scotland) Act 2009 says that you must have due regard to that information when setting the annual targets. The UK Committee on Climate Change is unable to give you information on that until the end of the year, but is it still on target to give you that information by the end of the year?

Stewart Stevenson: Yes, I believe that it is. The first year for which we will publish a report on cumulative emissions is 2010. We are working with the Committee on Climate Change on that. It is likely that there will be refinement to that in subsequent years. Just as I have referred to the 1990 baseline being slightly refined internationally, as the science increases and improves, our understanding increases. Cumulative budgeting is very new, so, with the benefit of hindsight, we will see that we could have better reporting. However, we have to take that first step. It might be a baby step or it might be a more significant step—we will not be certain until we get the advice from the Committee on Climate Change. We are very much leading the way on that approach, and it is important that we show that we can use it in our economy so that others can pick it up and use it as well.

Rob Gibson (Highlands and Islands) (SNP): At the bottom of page 8 of annex A of the executive note, below table 2, is the suggestion that the trajectories that you are proposing show a path of annual reductions to meet the 2020 target. It continues, in parenthesis:

“assuming that the EU target for emissions reductions is set to 30% and the traded sector cap tightens accordingly”.

Will you explain that?

Stewart Stevenson: I will address the obvious point that members have heard me make previously, which is that there are areas of the climate change agenda that are directly within our control; there are areas in which the UK Government has to take action; and there are areas in which the European Union has to take action. There are also areas in which there is a degree of overlap given the need for co-operation and collaboration, both between the UK and ourselves, and between the UK and the EU.

Some 40 per cent of our booked emissions are in the EU emission trading scheme. The scheme, in essence, is designed to produce, by the end of the period, changes in heavy industry—the biggest emitter of greenhouse gases—throughout Europe. Each country gets an allocation of greenhouse gas emissions that it is permitted to make, and that is

the allocation that is booked into our figures. Our actual performance as a country is substantially better than our allocation, but that has no effect whatever on the figures. When I say, “substantially better,” I mean that the scheme is currently on a 20 per cent target for 2020, whereas we are already at more than 21 per cent. That gives members some insight. For that matter, the UK is on 18.9 per cent, so it is not far off the 20 per cent target. If the European Commission and the EU take their target to 30 per cent—we will still be ahead of that 30 per cent, by the way—we will get a fairer reflection in our figures of the efforts that we are making, particularly on electricity generation.

That is, however, proving to be a challenge and we are continuing to work on it. Today, I talked to my opposite number in the Welsh Assembly Government, who is a Labour minister. We are absolutely at one on what we want to do and we are absolutely aligned with the UK Government. I am pleased that the current UK Government has continued the position of the previous one on that point. There is a unanimity of view in the UK, and the view is shared by other significant countries in Europe. However, it is a huge challenge for some countries that have relied heavily on coal and lignite for their power generation. For them, it is a big ask. In each successive environment council, there have been incremental shifts in view, but it is not yet clear when any change might happen. Of course, even if the change from 20 per cent to 30 per cent happened two months before our 2020 target, it would then be backdated all the way, although I do not say that to diminish the sense of urgency with which we feel the issue should continue to be pursued.

Rob Gibson: From perusing the table that shows the targets based on the new base year and the revised pathway from the new estimated level of 2012 emissions, it seems that we are talking about figures that on average are batting around the 3 per cent mark per annum. In fact, although the 2009 act requires us to make 3 per cent annual reductions only after 2020, we will more or less get to that stage before then.

Stewart Stevenson: I would be cautious in any event. I certainly hear what the member says, but one thing about the targets is that, in real life, the big changes will often be step changes. For example, when we shut down a thermal power station at some point in the future, there will be a sudden change in performance. A significant number of the actions that will be taken will have that effect of a sudden steep change in the graph. The trick is to ensure that we never exceed the numbers in the graph that we are setting with the targets that are before the committee today. I am satisfied that we can do that.

To return to energy, of course not all our energy is in the emission trading scheme. Small-scale hydro and wind power and so on are outside it and are making a direct contribution to our numbers. Wind power alone is already at about 12 per cent or thereabouts of our electricity generation. We have just about reached the target that the previous Administration set of 31 per cent of our electricity coming from renewables. We are well ahead of where we might be. Scotland and the UK are doing well on that.

Rob Gibson: So the targets that are being set in the draft order are based on reality—on the best science that we have—and aim to achieve a level that people were expecting in the period until 2020.

Stewart Stevenson: I believe so.

Cathy Peattie: Like you, minister, I am a bit suspicious of pilots—in fact, I have always been allergic to them, mainly because politicians from all parties use them to change direction. You spoke about some of the things that the Government might start to bring forward, and you started to talk about green buses. What other areas are you looking at?

Stewart Stevenson: We are looking at further work on smarter choices, and we already have a significant number of pilots running. The climate challenge fund has provided funding to 331 projects throughout Scotland. That is a huge range of projects, and we will look at their results. In making the bids, claims have been made about the carbon reductions that will be achieved, which may or may not turn out to be deliverable. Those projects are already in course—I have temporarily forgotten how long the fund has been available. Perhaps the convener can remind me.

The Convener: Three years.

Stewart Stevenson: Three years—okay. There is a significant number of projects, some of which are really big and some of which are quite wee, tottie projects with four-figure funding. There is a wide range of pilots. I am slightly worried that you say that you are allergic to pilots, but there we are.

Cathy Peattie: I spent 20 years in the voluntary sector.

Stewart Stevenson: Indeed. It is fair to make the point that pilots can take a form that is designed, as far as possible, to postpone a decision. However, the pilots that I am talking about are ones that genuinely inform the way forward.

Anyone who sits in front of the committee and gives you absolute certainties about the climate change agenda should be firmly shot down in flames. There is a genuine need for further scientific research. Rob Gibson has been very

much on the case of peatlands, which is an important issue, but there is significant uncertainty about some of the science around that. There is consensus that there is something worth doing there, but there is uncertainty about the methods and the outcomes. Undoubtedly, in that area as in many others, pilots will be an important part of what we do.

Cathy Peattie: Do you think that more can be done? Last week, the press slated the First Minister about renewables, saying that electricity from renewables was going to cost more, but I found myself—heaven forbid—agreeing with him about the importance of renewables. There are things that people can do. Although I am pleased with the energy efficiency action plan, do you agree that there should be more public engagement to encourage people to do what they can to save energy?

We should also be looking to improve public transport. Needless to say, I would also like to take lorries off the road and increase rail freight transport. Are there other things that could be done to make the cost of fuel cheaper and to change people's habits? I know that the public duty paper is out for consultation, but we are not being quick enough on public engagement. Is consideration being given to action that will bring that forward? Sorry—that was a long series of questions.

Stewart Stevenson: I will take it in the spirit in which it was meant, choosing how I interpret the words.

The member is absolutely correct to say that in Parliament and in Government—I mean at all levels of Government—we cannot make a difference without the public being part of that. That is absolutely clear. That is why the public engagement strategy is so important. I hope that we will get a substantial response to the consultation and that we will draw some new people into it. The views of those who regularly interact with Government are probably relatively well known, and we want to get more people engaged.

14:45

The public can do simple things that are in their immediate short-term interest as well as in the interest of the climate change agenda. For example, it is suggested that if every driver practised eco driving, that could save 15 per cent on fuel. That could be achieved just by a little bit of a change in technique, without reducing journeys and without necessarily significantly impacting on journey lengths. Even if I were qualified, I could not sit beside every driver in Scotland and give them hints on eco driving. People need to take

action for themselves and, of course, besides being good for the climate, such action delivers money back into their wallets that they can spend in other ways.

Equally, we need to be careful to avoid rebound effects, which there have been as a result of the improved fuel economy of cars over the past five or 10 years. Many people have taken the reduced cost of making journeys and translated it into more journeys. The amount of fuel that is used has therefore, over the piece, increased—the figure has come back a little bit of late, but that is almost certainly down to the economic environment that we are in.

On public transport, we are making very significant investments in the railways and, in the deal that we did with the bus companies on the concessionary travel and bus service operators grant schemes, we have done what the bus companies asked us to do. We gave them the certainty of a three-year deal and increased the amount of money that is available under the BSOG by 10 per cent while, simultaneously, moving from a scheme that simply rewarded people for turning wheels to one that has more of an environmental focus. The bus companies are very much in tune with that approach. We are looking, within that, to keep the differential between mineral-based oils and biofuels. There is some uncertainty about that matter south of the border, which I think is unhelpful for the biofuels industry as a whole. We are addressing the public transport issue in a series of ways, but we will need to see what resources are available if we are to do more.

Cathy Peattie: Will you consider bringing forward public engagement rather than waiting until the lengthy consultation has been done?

Stewart Stevenson: Let me put it this way. I suggest that it would run somewhat at odds to true public engagement if we as a Government were to say, “We are not waiting for the consultation period—the public engagement on public engagement—to be complete. We are going to tell you what the outcome is before the public have told us what they want.” I suspect that that would be challenging.

Cathy Peattie: I am not sure how you can bring the public with you and meet the targets when you have such a timetable.

Alasdair Allan: Looking behind the statistics, minister, you mentioned that you could foresee, perhaps particularly over the longer term, sudden drops in carbon emissions as bigger projects come on stream. How is that related to the national renewables infrastructure plan? Do the statistics, particularly those for the longer term, bear particular projects in mind?

Stewart Stevenson: There are two parts to that question. I repeat what I said in answer to Rob Gibson: as big projects come on board, they will make a difference to real-life emissions in Scotland, but, if they are within the EU emission trading scheme, they will not make any difference to our numbers. We need to get European policy changed so that we get more of the credit flowing through to our numbers from the real-life benefits that are achieved by our changing the mix of how we generate electricity and the impact on greenhouse gas emissions of our so doing.

Alasdair Allan: Given that some of the technologies, such as wave and tidal power, are not experimental but are at a relatively early stage commercially, how does the Government attempt to measure or factor in such technologies when it makes longer-term predictions?

Stewart Stevenson: There is a wide range of technologies. A technology such as carbon capture and storage that addresses greenhouse gas emissions from existing thermal stations will be an important transition technology until we are entirely dependent on electricity from renewable sources. It is quite difficult to make estimates in that regard.

We are more focused on ensuring that we get control of things such as our fossil fuel levy money, so that we can start to make investments in infrastructure to enable us to accelerate tidal and wave energy in particular and offshore wind energy—you can put up higher-capacity turbines offshore—and increase the proportion of our energy that comes from renewable sources.

The Convener: You made a point to Cathy Peattie about pilots. Some of us perceive there to be a never-ending series of pilots, regardless of who happens to be in government at any time. You said that the point of having pilots is to decide which of the policies work and will receive real investment. Over the next few weeks and months, we will see the Government’s report on proposals and policies as well as the budget, which will presumably have to provide the funding for them. Am I right in assuming that as we scrutinise those documents we will see where the real investment is going as a result of the Government deciding which of the policies are worth rolling out, rather than having more pilots?

Stewart Stevenson: You said that we seem to have a never-ending series of pilots. I think that that is a good thing. I expect to see pilots continue.

The Convener: I should correct myself and say that we seem to have nothing but a never-ending series of pilots.

Stewart Stevenson: That is a different matter.

We have to continue to try to search for new solutions, pilot them and challenge all the way up to 2050.

The Convener: And beyond.

Stewart Stevenson: Indeed. Therefore, pilots are a good thing if they are used in the right way—if they are used genuinely to inform decision making by ministers and private companies. Of course when we bring forward our policies and proposals and our budget, we will see how much money we are able to allocate to different budget headings. You would expect quite reasonably that, given that we cannot foresee the whole future, announcements would follow the draw-down and allocation of the sums of money for different budget headings over a period of time. You will not get them all in a oner, not least because a proportion of the pilots will not deliver a certain answer and it might be justifiable to run further pilots with slightly different nuances. We simply cannot anticipate that. Future generations will not thank us if we do not challenge ourselves and everyone else by doing as much research and investigation as we realistically can. I expect the Government to provide appropriate finance for policies and proposals accordingly.

The Convener: Thank you. That brings us to the end of item 2.

Item 3 is formal consideration of motion S3M-7070, which calls on the committee to recommend approval of the draft Climate Change (Annual Targets) (Scotland) Order 2010.

Motion moved,

That the Transport, Infrastructure and Climate Change Committee recommends that the Climate Change (Annual Targets) (Scotland) (Order) 2010 be approved.—[*Stewart Stevenson.*]

The Convener: I remind members that this is not another opportunity to question the minister; it is an opportunity to speak during the formal debate on the motion. As no other members want to speak, I will add one brief comment.

It seems to me that the decision that Parliament had to make about the previous version of the order was finely balanced. The fact that the minister has come forward with a set of targets whose cumulative impact will be lower and which all sides seem to accept is justification for Parliament's decision not to endorse the original set of targets. However, from my point of view, there are still unanswered questions about the reasons for the lower reductions in the first few years of the trajectory. For that reason, I will abstain in the vote on whether to approve the order.

The question is, that motion S3M-7070, in the name of Stewart Stevenson, be approved. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Allan, Alasdair (Western Isles) (SNP)
Gibson, Rob (Highlands and Islands) (SNP)
McInnes, Alison (North East Scotland) (LD)

Abstentions

Glen, Marlyn (North East Scotland) (Lab)
Gordon, Charlie (Glasgow Cathcart) (Lab)
Harvie, Patrick (Glasgow) (Green)
Peattie, Cathy (Falkirk East) (Lab)

The Convener: The result of the division is For 3, Against 0, Abstentions 4.

Motion agreed to.

14:55

Meeting continued in private until 15:09.

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