

Net Zero, Energy and Transport Committee  
Tuesday 2 September 2025  
25<sup>th</sup> Meeting, 2025 (Session 6)

## Note by the Clerk on Carbon Budgets evidence session with the Climate Change Committee

### Introduction

1. The Scottish Parliament agreed to move to a system of carbon budgets (similar to the system used in UK legislation) as part of the [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2024](#).
2. Carbon budgets set limits on the amount of greenhouse gas emitted over a given time. The Scottish Government must now set four five-yearly carbon budgets, to cover the period 2026-2045, when Scotland has committed to achieve net zero emissions. Net Zero is the point when emissions entering the atmosphere are balanced by removals out of the atmosphere.
3. Using carbon budgets replaces an approach of basing interim targets on a percentage reduction in greenhouse gases following a straight line towards net zero emissions in 2045. The first carbon budget period in [The Climate Change \(Scotland\) Act 2009 \(Scottish Carbon Budgets\) Amendment Regulations 2025](#) ('the draft regulations') is 2026-2030.
4. The Committee will take evidence on the draft regulations, and [accompanying policy statement](#), on Tuesday 2 September from the Climate Change Committee (CCC), the UK's independent advisory body, represented by:
  - a. Dr James Richardson, Chief Analyst
  - b. Dr Eoin Devane, Head of Carbon Budgets

### Climate Change Committee

5. On 21 May 2025, the Scottish Government received [advice from the CCC](#) on setting carbon budgets for Scotland.
6. The CCC's advice sets out recommended carbon budget levels which lead to Scotland's meeting its statutory target of reaching net zero by 2045. They recommend budget levels be set at:
  - a. 57% lower than 1990 levels for the First Carbon Budget (2026 to 2030).
  - b. 69% lower than 1990 levels for the Second Carbon Budget (2031 to 2035).
  - c. 80% lower than 1990 levels for the Third Carbon Budget (2036 to 2040).
  - d. 94% lower than 1990 levels for the Fourth Carbon Budget (2041 to 2045).

7. The [latest available data for emission reduction from the Scottish Government](#) says that Scottish emissions in 2023 were 51.3% lower than emissions in 1990.
8. The advice also sets out a 'balanced pathway' to net zero which the CCC describe as "an ambitious but credible route to Net Zero for Scotland by 2045." The CCC say that the emission reduction pace outlined in the balanced pathway would keep Scotland within the proposed 'fair and safe Scottish emissions budget' in line with the UK's international obligations in the [Paris Climate Agreement](#).

## Carbon budget regulations

9. On 19 June the Scottish Government laid [The Climate Change \(Scotland\) Act 2009 \(Scottish Carbon Budgets\) Amendment Regulations 2025](#) which have been referred to the Net Zero, Energy and Transport (NZET) Committee for consideration.
10. This is a draft Scottish Statutory Instrument (SSI), which requires approval by resolution of the Parliament before it can become law.
11. The regulations propose budget levels in line with the CCC's advice for the four carbon budget periods.<sup>1</sup>
12. Alongside laying the regulations, the [Scottish Government published a statement](#), which sets out in indicative terms, the policies and proposals that can be expected in the upcoming draft Climate Change Plan (CCP). This sets out that the Scottish Government intend to deviate from the CCC's advice and balanced pathway in *how* they will achieve these emissions reduction levels in two policy areas: peatland restoration and agriculture. The statement says:

"For the avoidance of doubt, the pathway that is set out within the CCP will reflect the Scottish Ministers' proposed pathway to net zero – this means that for agriculture and peatland we will not follow the CCC's specific recommendations, instead we will implement solutions to ensure we meet our net zero and nature obligations in a way which works for rural communities."

## Call for Views

13. On 27 June the NZET Committee launched a targeted Call for Views on the regulations, which closed on 18 August.
14. Stakeholders were asked:
  - a. What are your views on whether the carbon budget regulations set the right level of ambition between 2026 and 2045?

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<sup>1</sup> The regulations express the budget levels in different terms, as a 'Proportion of the baseline emissions level as defined in the 2009 Act, and multiplying it by 5 (representing the number of years in a Scottish carbon budget period)' as opposed to the CCC advice, which sets out the percentage reduction since the baseline. There is no practical difference.

- b. What are your views on the content of the Scottish Government's Indicative Statement to accompany the regulations?
15. The Committee received 12 responses, which have been published on the [Committee's webpage](#). A summary of responses prepared by the Scottish Parliament Information Centre (SPICe) is available at Annexe A of this paper. Responses were received from:
- a. [Soil Association Scotland](#)
  - b. [Royal Scottish Geographic Society](#)
  - c. [Friends of the Earth Scotland](#)
  - d. [National Farmers Union Scotland](#)
  - e. [Scotland Beyond Net Zero](#)
  - f. [Scottish Environment LINK](#)
  - g. [Institute for Public Policy Research Scotland](#)
  - h. [Climate Emergency Response Group](#)
  - i. [James Hutton Institute](#)
  - j. [WWF Scotland](#)
  - k. [Stop Climate Chaos Scotland](#)
  - l. [Confederation of British Industry](#)

## **Next steps and Climate Change Plan**

- 16. Following the evidence session with the CCC on 2 September, the NZET Committee will take further evidence related to the regulations on 9 September from academics on the science of climate change, emission reduction and adapting to the impacts of climate change.
- 17. The Cabinet Secretary for Climate Action and Energy will then provide evidence to the Committee on the regulations, also on 9 September and the motion on the instrument will be taken.
- 18. The Committee must report to the Parliament on the regulations before 1 October 2025. A draft report will be considered by the Committee shortly after the evidence sessions.
- 19. If the Parliament agrees to the regulations, they will come into force one day later. The Scottish Government then have a statutory deadline of up to two

months (set by the 2024 Act) to lay a draft Climate Change Plan (CCP)<sup>2</sup> before the Parliament. However, the Cabinet Secretary for Climate Action and Energy's [letter to the NZET Committee on 24 July](#) said that, if the Parliament approves the regulations on 8 October (before October recess), they will aim to lay the draft CCP "towards the end of October or beginning of November".

20. The amended [Climate Change \(Scotland\) Act 2009](#) allows that Scottish Parliament Committees will then have 120 days to scrutinise and report on the draft CCP. Following the scrutiny period, the Scottish Government must publish and lay a final Climate Change Plan within 90 days. They must respond to Scottish Parliament Committee reports within three months of them being published.

**Clerks to the Committee  
September 2025**

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<sup>2</sup> The Climate Change Plan is a strategy document which outlines how the Scottish Government intends to meet the carbon budget levels and 2045 net zero target.

## Annexe A – Summary of responses to the Call for View



### Scottish Carbon Budget regulations

### Analysis of Call for views

#### Respondents

1. Soil Association Scotland: SAS
2. Royal Scottish Geographic Society: RSGS
3. Friends of the Earth Scotland: FOES
4. National Farmers Union Scotland: NFUS
5. Scotland Beyond Net Zero: SBNZ
6. Scottish Environment LINK: SEL
7. Institute for Public Policy Research Scotland: IPPRS
8. Climate Emergency Response Group: CERG
9. James Hutton Institute: JHI
10. World Wide Fund for Nature Scotland: WWFS
11. Stop Climate Chaos Scotland: SCCS
12. Confederation of British Industry Scotland (CBIS)

The full responses, for which permission to publish was given, can be found on [the Scottish Parliament website](#).

#### **1. What are your views on whether the carbon budget regulations set the right level of ambition between 2026 and 2045?**

Some responses support the level of ambition (SAS, IPPR, CERG, WWFS, SBNZ, CBIS) and SBNZ state that it is in line with 'most other developed economies'. Several responses make reference to the fact that it follows the CCC advice (SAS, RSGS, SEL, CBIS) although JHI highlight that despite this there is uncertainty remaining due to pledges to diverge from the advice in the Indicative Statement (IS) (more on this in the summary of responses to Q2).

RSGS set out that the actual ambition will only become clear when actions are taken (as opposed to targets being set). CERG, WWFS and CBIS also highlight that the emphasis should be on delivery, and what is needed to achieve the carbon budgets.

SAS welcomed the clarity brought by the proposed carbon budget levels. Both RSGS and IPPRS, set out that the budgets should be a minimum level of achievement rather than the final target.

NFUS expressed support for the principle of five-year carbon budgets but were concerned about the level of change. The NFUS explicitly oppose policy on livestock reduction and dietary change.

Some responses took issue with the rate of progress prior to the arrival of the regulations which had been too slow, that targets had not been met, and said that a 'step change' in action is needed (SEL, SAS).

While IPPRS implicitly support the move to net zero by around mid-century, they suggest that the proposed budgets will ultimately require a similar pace of change to what they have replaced. They go on to argue that the Scottish Government need to be more honest about the scale of the challenge and to present a 'compelling vision' to the Scottish public. IPPRS and SCCS make reference to the fact that emissions have essentially 'flat-lined' since 2019.

FOES set out their view that the 2045 target has always been inadequate and that 2030 should be the target date for net zero. They state that developed nations like Scotland should take the lead on emission reductions due to their capacity to do so and their historical emissions. They view the change to carbon budgets as unnecessary and as resulting in an 18-month delay in climate policy making.

Whilst most responses explicitly or implicitly support the views of the CCC as being the most suitable pathway to follow, FOES explain that the advice places 'too much emphasis on expensive, inefficient, unreliable and unproven technologies, such as carbon capture and storage and so-called sustainable fuels'. SBNZ also believe that there is too much reliance on the 'untested and underspecified solutions' e.g. negative emission technologies and sustainable aviation fuel. They make particular reference to the relevance of these options in the fourth carbon budget. SCCS highlight the 'unnecessarily significant reliance on 'techno-fixes'.

The CBIS support the new level of ambition but highlight some 'enabling conditions' needed for progress; planning reform, workforce training, electricity grid upgrade, and clear long term investment frameworks.

Some responses to Q1 pick up on aspects of the IS (the subject of Q2). The JHI response focuses on agriculture and peatlands, and highlights some of the reasons that it thinks there is uncertainty around the assumed contribution of peatlands to emission reductions, including whether there is sufficient investment. They also highlight, what they see, as some of the barriers to peatland restorations such as the remote locations and the limited seasonal window. Finally, they raise the risk of climate change impacts – water scarcity and wildfires - inhibiting sequestration from peatlands.

SAS, SEL and JHI state that it is not clear what is intended for policy in Agriculture. They raise concerns about how the lost emission savings, from the pledge in the IS not to develop policy which limits livestock numbers, will be compensated for. They suggest that tree planting is the area where change will be needed.

JHI highlight some of the uncertainties around the effectiveness of ‘technical’ measures to reduce emission in Agriculture i.e. methane reducing feeds additives. They also point out that in land use policy there is the need to balance carbon saving goals with those of biodiversity.

As a result of these reservations, the JHI call for the publication of particular details in the climate change plan (CCP) including on peatland restoration targets, the quantification of mitigation measures in Agriculture and contingency options for if there is a delay in emission reductions. A contingency plan or Plan B is also supported by SCCS (with reference to the Environment Climate Change Land Reform [\(ECCLR\) Committee proposal in 2021](#)).

The NFUS assert that sequestration activities in peatlands, woodlands etc. should be incorporated in the Agricultural emission inventory.

SBNZ highlight that consumption-based emissions (also accounting for the emissions that result from the goods and services consumed in a country, but not produced there) are not currently included in Scottish targets and that these should be monitored.

## **2. What are your views on the content of the Scottish Government’s Indicative Statement to accompany the regulations?**

Various responses express disappointment with the overall level of detail in the Indicative Statement (RSGS, SBNZ, IPPR, JHI, WWFS). RSGS again highlight that target setting is easy but implementing policies to make change is more difficult, and that the IS gives them no confidence that this state of affairs will change. SBNZ highlight that the lack of detail forces scrutiny to shift from the setting of the carbon budgets to the CCP.

The JHI seek greater clarity on various points in the forthcoming CCP, including quantified annual peatland targets, the modelled emission savings from agricultural efficiency measures, contingency plans if measures don’t deliver and information on monitoring. The CBIS welcomed the transparency of the IS but say that it would be strengthened by delivery timelines and funding certainty, integration with economic strategy, resolving planning delays and securing public engagement. They go on to assert that reducing emissions ‘is not only an environmental imperative but a route to sustainable economic growth’.

Criticism of the overall approach comes from the IPPRS, on the grounds that MSPs have to ‘decide to approve the budgets ... effectively in ignorance of the policies they would then have to support in order to see the budgets delivered.’

Many responses highlight the Scottish Government’s pledge in the IS to not implement any livestock number reduction policy (JHI, SCCS, WWFS, SAS), with most raising questions as to how this will affect the country’s overall emission reductions. The JHI highlight that this loss of emission reductions will have to be made up elsewhere and there will be a need to better integrate trees and woodland into farming systems. SEL and SAS also highlight tree planting as a means of

compensating for the lost savings. SCCS raise various questions around what this statement might mean, including whether it means a proactive policy to maintain / increase numbers or simply the absence of a policy to reduce numbers? SAS and SEL highlight that if current trends on livestock numbers continue emissions may reduce 'even without specific government policies'. WWFS believe that the IS does not offer much alternative to a policy of not reducing livestock numbers.

NFUS welcome the IS and in particular the statement on livestock policy. They make reference to the importance of the CCP focusing on the 'integration' of land use change with existing land uses like agriculture. While supporting the pledge not to support livestock number reduction, the NFUS want more detail on the alternative of reducing emission through 'efficiency and innovation'. They also call for sufficient detail to be contained in the CCP.

Elsewhere in land use, SEL have policy suggestions to increase the rate of woodland creation, including a national deer management programme, and increasing the Forestry Grant Scheme to previous levels. Following on from their response to the first question, JHI and SCCS highlight the importance of factoring in other policy goals such as those around biodiversity, when thinking of climate policy. SCCS highlight the potential for implications for biodiversity policy from the pledge to not commit to livestock reductions.

Some responses (SCCS, RSGS, JHI) highlight the uncertainty of the IS wording on peatland restoration targets and although it states that the CCP will diverge from the CCC it is not clear how. On forestry, SCCS welcome the implied increase in ambition for afforestation in the IS and associated press release. JHI highlight that while it is needed, tree planting will not be able to compensate for the livestock policy in the timeframe available.

SEL, IPPR, and SCCS highlight the trade off in agriculture and land use policy and that if livestock numbers are not reduced, then woodland creation will need to be integrated into farmland as opposed to being planted on former agricultural land.

Responses that focus on the Energy Supply section, include those from FOES and SCCS, which both suggest that the wording used in the IS to describe the proposed new CCS gas plant in Peterhead implies support for gas power plants with CCS in some form. They highlight that this diverges from CCC assumptions in their Balanced Pathway; that there are no gas plants with CCS in Scotland. FOES also assert that energy from waste plants should be shut down rather than attempting to decarbonise them with CCS. The CBIS highlight the importance of electricity grid upgrades.

Responses that focus on Transport, include those from FOES and SCCS which suggest there is too much emphasis on electric vehicles - and that these still result in pollution - as opposed to reducing overall car-kms. This view applies to both the IS and the CCC advice. The SCCS also take issue with the mention of sustainable fuels in some forms of transport e.g. aviation, and suggest that these should be subject to scrutiny on the grounds of their availability, and their low carbon potential.

Part of the SCCS response addresses the limited content in the IS on Buildings decarbonisation and raises questions as to how the Heat in Buildings Bill might



interact with the draft CCP. WWFS highlight a perceived abandonment of key measure for heat in buildings, and question how building decarbonisation can deliver the expected reductions in this context.

In Waste Management, FOES outline that they support reduction in landfill but that they oppose further waste incineration.

While some responses (FOES, SCCS) that take aim at the use of CCS in the Scottish Government's plans, on the basis that it is an unproven technology at scale, the JHI consider the alternatives to reduced livestock numbers, such as low methane breeding and feed additives, as also being 'unproven' technology.

SCCS and WWFS both highlight the IS's reference to internal analytical work and that the Scottish Government should be questioned on the details of this.

Contingency planning or a Plan B is recommended by various organisation (FOES, SCCS, WWFS), particularly with respect to the emission savings associated with CCS (with reference to the ECCLR committee report from 2021). SCCS highlight that there are contingency options in the CCC advice, which are not mentioned in the IS.

**Niall Kerr, SPICe**