

Net Zero, Energy and Transport Committee
Tuesday 9 September 2025
26th Meeting, 2025 (Session 6)

Note by the Clerk on motion for approval of Carbon Budgets Regulations

Overview

1. At this meeting, the Committee will debate a motion in the name of the Cabinet Secretary for Climate Action and Energy inviting the Committee to recommend approval of [The Climate Change \(Scotland\) Act 2009 \(Scottish Carbon Budgets\) Amendment Regulations 2025](#).
2. This is a draft Scottish Statutory Instrument (SSI), which requires approval by resolution of the Parliament before it can become law. More information about the instrument is summarised below:

Title of instrument: [The Climate Change \(Scotland\) Act 2009 \(Scottish Carbon Budgets\) Amendment Regulations 2025](#)

Laid under: [Climate Change \(Scotland\) Act 2009](#)

Laid on: 19 June 2025

Procedure: Affirmative

Lead committee to report by: 1 October 2025

Commencement: If approved, the instrument comes into force on the day after the day on which it is made.

Procedure

3. Under the affirmative procedure, an instrument must be laid in draft and cannot be made (or come into force) unless it is approved by resolution of the Parliament.
4. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - a lead committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.
5. The lead committee, taking account of any recommendations made by the DPLR Committee (or any other committee), must report within 40 days of the instrument being laid.

6. The normal practice is to have two agenda items when an affirmative instrument is considered by the lead committee:
 - an evidence session with the Minister and officials, followed by
 - a formal debate on a motion, lodged by the Minister, inviting the lead committee to recommend approval of the instrument.
7. Only MSPs may participate in the debate, which may not last for more than 90 minutes. If there is a division on the motion, only committee members may vote. If the motion is agreed to, it is for the Chamber to decide, at a later date, whether to approve the instrument
8. In relation to this instrument, the NZET Committee, as lead committee, decided that, as well as taking evidence from the relevant Minister, it would also take evidence before the debate from other expert witnesses. There is more information about this, as well as some further context about the background to the instrument, in Clerk's Paper 1 for the 9 September meeting, as well as more information about the written evidence the Committee solicited and received on the instrument over the summer recess.

Delegated Powers and Law Reform Committee consideration

9. The Delegated Powers and Law Reform (DPLR) Committee is required to consider every instrument laid before the Parliament and decide whether to draw it to the attention of the Parliament on any of the "reporting grounds" set out in Rule 10.3 of the Parliament's standing orders.
10. The DPLR Committee considered the instrument on 2 September 2025 and reported on it in its [57th report, 2025](#). The DPLR Committee made no recommendations in relation to the instrument.

Purpose of the instrument

11. The purpose of the Regulations is to set the target levels for the four five-year carbon budget periods up to 2045, the statutory target date for Scotland reaching net zero. The carbon budget periods are the periods 2026-2030, 2031-2035, 2036-2040 and 2041-2045. Net Zero is the point when emissions entering the atmosphere are balanced by removals out of the atmosphere.
12. The Regulations propose carbon budgets - expressed in the 'proportion of budget relevant baseline', meaning the percentage of emissions remaining on the path to net zero in an average year during that period, multiplied by five to reflect that carbon budget periods are five years - of:
 - a. 2026 to 2030 – 43%
 - b. 2031 to 2035 – 31%
 - c. 2036 to 2040 – 20%

- d. 2041 to 2045 – 6%
13. The proposed budgets are in line with those recommended to the Scottish Government by the Climate Change Committee (CCC), the UK's independent advisory body, in [their advice](#) of 21 May.¹
14. The Scottish Government did however state, in the [indicative statement](#) accompanying the Regulations that they proposed to deviate from the CCC's advice in how they will achieve these emissions reduction levels in peatland restoration and agriculture. It says 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”
15. The indicative statement is a document statutorily required to be published alongside the Regulations that sets out, in indicative terms, the policies and proposals that can be expected in the upcoming Climate Change Plan (CCP). This is a strategy document which outlines how the Scottish Government intends to meet the carbon budget levels and 2045 net zero target.
16. If Parliament agrees to the Regulations, they come into force the day after the day on which they are made. This in turn sets in motion a statutory timeline for the laying and consideration by the Parliament of a draft and then a finalised CCP. (See Clerk's Paper 1 for further information.)
17. The Policy Note accompanying the instrument is included in the Annexe. It includes a summary of consultation undertaken by the Scottish Government, impact assessments carried out, and the anticipated financial effects.

Report

18. The Committee will consider a draft report on the instrument at its 23 September meeting.

Clerks to the Committee September 2025

¹ The regulations express the budget levels in different terms, as a 'Proportion of budget-relevant baseline' as opposed to the CCC advice, which sets out the percentage reduction since the baseline. There is no practical difference.

Annexe A – Scottish Government Policy Note

POLICY NOTE

THE CLIMATE CHANGE (SCOTLAND) ACT 2009 (SCOTTISH CARBON BUDGETS) AMENDMENT REGULATIONS 2025

SSI 2025/XXX

The above instrument was made in exercise of the powers conferred by section A4(1) of the Climate Change (Scotland) Act 2009. The instrument is subject to *affirmative procedure*.

Summary Box

The Climate Change (Scotland) Act 2009 (Scottish Carbon Budgets) Amendment Regulations 2025 (herein 'the Regulations') will set the target levels for the carbon budget periods up to 2045. The carbon budget framework was introduced by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2024 (herein 'the 2024 Act').

Policy Objectives

The objective of the Regulations is to set the levels for the carbon budgets introduced as the new emissions reduction framework by the 2024 Act.

The 2024 Act amended existing climate change legislation to establish a carbon budget approach to emissions reduction target setting instead of the system of annual and interim targets while retaining the target for delivery of net zero emissions by 2045.

A Scottish carbon budget sets a limit on the amount of greenhouse gases that can be emitted in Scotland over a five-year period. Not exceeding a carbon budget is the "Scottish carbon budget target". Scottish Ministers have a duty to ensure that each Scottish carbon budget target is met. While the duty to achieve these targets sits with the Scottish Ministers, the drive to reduce emissions will be a whole-society effort, delivered through the next Climate Change Plan (CCP), which will cover the period 2026-2040, and subsequent CCPs. The current CCP covers the period up to 2032.²

Scotland's carbon budgets include emissions from international aviation and shipping, with no provision to "carry over" emissions from one carbon budget to another (if emissions are lower than the carbon budget target in one period, the difference is not automatically carried over to the next carbon budget period).

² Reducing greenhouse gas emissions - Climate change - gov.scot - <https://www.gov.scot/policies/climate-change/reducing-emissions/>

The Regulations will amend the Climate Change (Scotland) Act 2009 (“the 2009 Act”) to set the carbon budgets from 2026 up to the statutory net zero target year of 2045, with budgets for the periods 2026-2030, 2031-2035, 2036-2040 and 2041-2045.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children’s rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (the Act), the Scottish Ministers certify that, in their view, the Climate Change (Scotland) Act 2009 (Scottish Carbon Budgets) Amendment Regulations 2025 are compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government’s policy to maintain alignment with the EU.

Consultation

In developing the Regulations, Scottish Ministers have taken into account the latest advice received from the Climate Change Committee (the CCC), in their *Scotland’s Carbon Budget* report. The CCC are established as the advisory body for the Scottish Government on matters relating to climate action. The report provided the CCC’s assessment of emissions reduction targets for Scotland on its pathway to net zero emissions. In developing the Regulations, Scottish Ministers have also had regard to the target-setting criteria set out in the 2009 Act, which includes requirements to consider economic, fiscal and social circumstances when assessing the credibility of targets. These are requirements under the 2009 Act.

In the process of developing the secondary legislation, officials have engaged with local authorities and COSLA through the Climate Delivery Oversight Group and other meetings to discuss the setting of levels for carbon budgets. Officials attended a meeting of the Sustainable Scotland Network and invited the attending representatives from local authorities to provide comments via a written questionnaire. Responses highlighted the need for certainty in the setting of emissions reduction targets and the financial pressures faced by local authorities in funding decarbonisation of fleet, property and other projects. There were also concerns that an acceleration of climate action to meet emissions reduction targets would require significant external investment and support from the Scottish Government. These views have been taken into account in the development of the carbon budget levels. Officials have shared a position paper on the carbon budget levels with COSLA to follow up on those engagements.

In general, those engaged with through consultation activities have been concerned with the policies and actions that will be required to deliver the carbon budgets, rather than the emissions reduction targets in themselves. Officials developing the CCP will be conducting detailed consultations on the draft version which will provide

opportunities for representatives of business, local authorities and others to provide views on the proposed policies for inclusion in the next CCP.

Impact Assessments

The Regulations will be limited to setting the levels for the carbon budget targets and will not amend the duty for Scottish Ministers to achieve the net zero emissions target in 2045. When passed, the Regulations will not directly initiate any specific policies or actions required to meet the carbon budget targets or the net zero emissions target. As such, there are no identifiable direct impacts from the Regulations themselves that would disproportionately affect the groups and organisations covered by the impact assessments

The policies and actions required to meet the carbon budget targets will be laid out in the CCPs. Impact assessments will be conducted for the CCPs and individual policies and actions that are developed for emissions reduction and decarbonisation where appropriate. The 2024 Act requires that the draft of the next CCP has to be laid in the Scottish Parliament within two months of the coming into force of the Regulations setting the carbon budget levels, so work is currently being undertaken on impact assessments of the next CCP as a key component of the development of the plan.

Financial Effects

A Business and Regulatory Impact Assessment (BRIA) has been completed and is attached. Officials have engaged with COSLA, local authorities and the business sector during the development of the Regulations. The Regulations will be limited to setting the levels of the carbon budgets, which are consistent with the existing target to achieve net zero emissions by 2045. The Regulations will not initiate any policies or actions required to meet the Scottish Government's emissions reduction targets and, therefore, do not present any direct impacts on businesses and other organisations. The policies and actions required to meet the carbon budget targets will be laid out in the CCPs, for which Business and Regulatory Impact Assessments will be completed. Engagement with businesses, local authorities and other organisations is ongoing to assess potential impact of policies and actions of the next CCP.

Scottish Government
Directorate for Energy and Climate Change

19 June 2025