Net Zero, Energy and Transport Committee Tuesday 25 November 2025 35th Meeting, 2025 (Session 6)

Evidence session on the draft Climate Change Plan: note by the Clerk

Introduction

- 1. The Climate Change Plan (CCP) is a strategy document which outlines how the Scottish Government intends to meet carbon emissions reduction targets across all portfolio areas and sectors of the economy. A <u>draft CCP (covering the period 2026-40)</u> was laid on 6 November.
- 2. The Net Zero, Energy and Transport Committee will lead a cross-committee effort to scrutinise the draft ending in March, with the NZET Committee's first evidence session at this 25 November meeting.

Legislative background

- 3. The <u>Climate Change (Scotland) Act 2009</u> is the main Scottish legislation on climate change. It set Scotland's "net zero" target initially 2050.¹ This is a target to reach net zero in emissions across all of Scotland, not just in relation to the Scottish Government's activities and assets. It is a transformative societal target.
- 4. The 2009 Act required the Scottish Government to produce a Report on Policies and Proposals (RPP), in effect setting out how it proposed to work towards net zero, in a coordinated way, across all main policy areas. It set out some ground rules about what had to be in the Report's structure and required a draft of it to be laid in the Scottish Parliament. Scotland's most recent statutory RPP was laid on 28 February 2018, covering the period 2018-2032.²
- 5. The Climate Change (Emission Reduction Targets) (Scotland) Act 2019 amended the 2009 Act. It moved the net zero target forward from 2050 to 2045. It also set interim targets of a 75% drop in emissions by 2030 (from a 1990 baseline) and 90% by 2040. It renamed the RPP as the CCP and elaborated further on its handling and content. In particular, it raised the number of days the draft had to sit in Parliament from 60 to 120 days, to allow more time for scrutiny.
- 6. In March 2024 the Climate Change Committee (CCC), the advisory body to governments in the UK on climate change, advised in their 2023 Scotland
 Progress Report that the 2030 target was 'no longer credible'. The Scottish Government accepted this advice and brought forward a Bill, enacted as the Climate Change (Emissions Reduction Targets) (Scotland) Act 2024, which again

¹ "Net zero" is when greenhouse gases being emitted into the atmosphere from human-made processes (e.g. from burning fuels or from agricultural processes) are balanced out by removing the same amount (e.g. by sequestering carbon in trees or peatland or using technology to extract carbon from the air)

² A non-statutory "Climate Change Plan Update" was laid in December 2020

- made amendments to the 2009 Act. It replaced the interim targets with a system of 5-year carbon budgets. The 2045 net zero target was unaltered.
- 7. The 2024 Act requires the Scottish Government to propose carbon budgets (by way of Regulations) after considering advice from the CCC. The CCC advice came on 21 May 2025. It also outlined a "Balanced Pathway" which the CCC model as "an ambitious but credible route to Net Zero for Scotland by 2045".
- 8. The Scottish Government <u>laid Regulations</u> setting carbon budget levels in line with the CCC's advice on 19 June. Alongside these (as required by the 2024 Act), it published an "<u>Indicative Statement</u>", outlining the policies and proposals likely to be in the draft CCP. The Statement confirmed that the Scottish Government would take the CCC's overall advice but was minded to depart from the "Balanced Pathway" advice in a few policy areas.
- 9. The NZET Committee <u>reported on the Regulations</u> on 30 September. Following a debate in the chamber, the Parliament approved them on 8 October. The 2024 Act requires the Scottish Government to lay a draft CCP within two months of the Regulations coming into force. The draft CCP was laid on 6 November.

What is "carbon budgeting"?

- 10. Carbon budgeting means setting out as a target the maximum amount in carbon emissions that can be "spent" over a given period. This method had been used in climate change legislation for Wales, Northern Ireland and the UK as a whole, so the 2024 Act brought Scotland into line with the rest of the UK. The given period for Scottish carbon budgets is for most purposes 5 years, as in the rest of the UK.
- 11. The budgets, expressed as an average percentage reduction since the 1990 baseline across the 5-year carbon budget period, are:
 - 2026 to 2030 57% lower than the 1990 baseline
 - 2031 to 2035 69% lower
 - 2036 to 2040 80% lower
 - 2041 to 2045 94% lower.

Timeline of Parliamentary scrutiny

- 12. The 120 days that the draft CCP is laid in the Parliament ends on 5 March 2026. No statutory process is laid down for this period but it is assumed that the Parliament will consider it: that committees of the Scottish Parliament may scrutinise and publish reports on it and the Chamber may consider motions on it. This has been the case with all previous draft RPPs/ CCPs.
- 13. Once the 120 days are over, the Scottish Government has a statutory deadline of 90 days before which it must lay the final CCP. However, the Scottish Government has indicated, both in their Programme for Government 2025-26 and in correspondence with the NZET Committee, that they intend to lay the CCP

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before the Parliament dissolves for the 2026 election. The last day of Parliamentary business before the election is 26 March.

14. When laying the final Plan, the Scottish Government must also lay a statement setting out what changes, if any, they have made to the Plan in response to any representations made to them, including in committee reports or in their public consultation on the draft. The Scottish Government must also publish a response to any resolutions of the Scottish Parliament and any Scottish Parliament Committee reports within three months of them being passed or published.

Content of the draft CCP

- 15. Section 35 of the 2009 Act sets out matters that must be included in the CCP. These include:
 - The policies and proposals for meeting the carbon budgets during the period of the Plan (2026-2040).
 - The contributions (in measurable terms) towards meeting the emissions reduction targets made by both each sector and each group of associated policies.
 - An estimate of the costs and benefits associated with the policies set out in the Plan.
 - How the <u>Just Transition</u> principles have been considered in preparing the Plan the principles are set out in full in <u>Section 35C of the Act</u>.
 - An assessment of the progress made in implementing the policies and proposals set out in the most recent previous CCP.
- 16. The draft CCP itself is relatively short with the majority of the content is included in the annexes. Annexe 2 has further detail on the policies and proposals broken down by seven sectors:
 - Buildings (Residential and Public)
 - Transport
 - Waste
 - Energy supply
 - Business and industrial processes
 - Agriculture
 - Land use, land use change, and forestry

Two further areas are also considered:

Nature and biodiversity

Marine

Cross-Parliament scrutiny

- 17. The Scottish Parliament's Conveners Group set scrutiny of net zero as a strategic priority for the current session of the Parliament, reflecting the transformational impact of both climate change and net zero across all committee remits.
- 18. Several Scottish Parliament committees are likely to scrutinise parts of the draft CCP. A <u>9 October letter</u> from the NZET Committee Convener to all other committee Conveners sets out areas other committees may wish to focus on.

25 November meeting

- 19. The aim of this session is to allow Members to consider overarching aspects of the draft Climate Change Plan (CCP) relating to what a 'good' CCP looks like, rather than sector-specific policy issues. The Committee wrote letters to auditors and regulators in March on what a 'good' CCP would look like, and wrote to the Cabinet Secretary for Climate Action and Energy with a summary of their responses in April. In this meeting, Members will hear from:
 - Professor Graeme Roy, Chair of the Scottish Fiscal Commission;
 - Dr Richard Dixon, Chair, Environmental Standards Scotland;
 - Neil Langhorn, Head of Strategy and Analysis, Environmental Standards Scotland;
 - Clare Wharmby, Programme Director for the Scottish Climate Intelligence Service.

Future work of the NZET Committee on the draft CCP

- 20. The Committee have agreed to community engagement work on the draft CCP. This includes a visit to the north-east of Scotland in the New Year; an online consultation focused on reaching people who do not normally take part in formal consultations using some themes identified from the Committee's People's Panel report; and discussing the draft Plan with young people.
- 21. The Committee will take further formal evidence on the draft Plan at meetings in December, January and February, continuing to look at the draft Plan as a whole considering issues such funding, delivery and governance and on specific sectors within the Committee's remit: mainly energy supply, transport, and waste.
- 22. The Committee will take closing evidence from the Cabinet Secretary with responsibility for the draft Plan, before reporting to the Parliament ahead of the end of the scrutiny period on 5 March 2026.

Clerks to the Committee November 2025