



## Scottish Environment LINK submission to Economy, Jobs and Fair Work Committee

14 December 2016

Scottish Environment LINK's Economics Group welcomes the opportunity to provide input to the Economy, Jobs and Fair Work Committee's budget scrutiny process on:

- a) The spending of the Enterprise Agencies, and
- b) Programmes relating to energy efficiency / fuel poverty

Scottish Environment LINK is Scotland's forum for environmental NGOs with over 35 member organisations. LINK members work together in 5 strategic groups, one of them being economics.

### Spending of the Enterprise Agencies

**Public bodies should lead Scotland's transition to a low carbon and sustainable economy. As such, the spending and programmes of the Enterprise Agencies should be fully and consistently aligned with Scotland's ambitions with regard to climate change and circular economy.**

The environmental imperative to radically reduce our impact on the planet has never been clearer and we applaud Scottish Government for its Climate Change legislation and ambition. However, it is recognised by all that to meet future climate change targets will be a huge challenge – requiring tackling the carbon implications of transport systems, buildings, land-use, and manufacturing, as well as energy supply. To meet future climate change targets, we need to radically change business as usual. Isolated 'low carbon' programmes, whilst the remainder and vast majority of spending supports business as usual, is no longer a viable way forward if the Scottish Government is serious about complying with the Paris Agreement.

Creating a low carbon sustainable economy must be an umbrella under which all other economic policies, strategies and programmes sit, including those of the Enterprise Agencies. Currently closely aligned with the Economic Strategy, which does not have an embedded environmental imperative, the Enterprise Agencies' Programmes need to shift to take on a more responsible and longer-term role with regard to the future. As well assisting in the transition to higher levels of renewable energy and increased energy efficiency, Enterprise Agencies are key in reducing resource use and enabling the adoption of a more circular economy. The circular economy offers enormous potential for reduced environmental impact<sup>1</sup>, as well as employment opportunities<sup>2</sup>. As

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<sup>1</sup> <http://www.zerowastescotland.org.uk/CarbonImpactsOfTheCircularEconomy>

<sup>2</sup> <http://www.green-alliance.org.uk/circular-economy-scotland.php>

the CEO of Philips, Frans Van Houten, said *'For a sustainable world, the transition from a linear to a circular economy is essential'*. This transition requires new thinking to be embedded across government and its agencies. Enterprise Agencies need to support businesses and enterprises to adopt new business models, practices and collaborations which unlock the potential that the circular economy offers.

## **Programmes relating to energy efficiency/ fuel poverty**

### **Substantial extra investment is needed in energy efficiency and fuel poverty**

Scottish Environment LINK welcomes Scottish Government's commitment to taking a 'National infrastructure priority' approach to improving energy efficiency, and the Scottish Energy Efficiency Programme (SEEP). The Programme does not have a specific target - *'Over the next 15 - 20 years, SEEP will offer support to ensure that all buildings (domestic and non-domestic) in Scotland can achieve a good energy efficiency rating'*<sup>3</sup>. Scottish Environment LINK supports the call of the Existing Homes Alliance, that nearly all buildings need to be supported to achieve EPC band C in the next 10 years. The Alliance estimates that £450m per annum (average) for 10 years of public funding is required to deliver this (private finance would be leveraged in addition). As a transitional year, the 2017/18 Scottish Budget should allocate in the region of £190m for fuel poverty and energy efficiency, alongside a projected £60m from the Energy Company Obligation, increasing total public spend to £250m for the year 2017/18.

The following LINK members sign up to this evidence:

Friends of the Earth Scotland  
Marine Conservation Society  
RSPB Scotland  
Scottish Wildlife Trust  
WWF Scotland

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<sup>3</sup> <http://www.gov.scot/Resource/0049/00492710.pdf>