

# Scottish Environment LINK's response to the Just Transition Commission Call for Evidence June 2020

#### 1. Full name or organisation's name

Scottish Environment LINK

## 2. Does your response relate to a specific sector?

Environmental sector, with a particular focus on biodiversity, nature recovery and the transition to a circular economy.

# 3. What do you see as the main economic opportunities and challenges associated with meeting Scotland's climate change targets?

### 3.1 Economic opportunities

The Covid-19 pandemic and the need for post-lockdown recovery has added an additional dimension to the net-zero transition. It has highlighted our vulnerability, the imperative of protecting biodiversity<sup>1</sup>, and the lack of resilience in our long and just-in-time supply chains. We need a transition to zero-carbon; but also a transition to an economy that restores nature and is resilient.

The economic opportunities will depend on how the transition is managed and the associated investment. Investment in infrastructure that is both aligned with net zero and delivers wider environmental benefits provides more and faster economic and social benefits than higher carbon alternatives, helping to get people back to work in the short term, and building low-carbon capacity into the long term<sup>2</sup>. There are opportunities in strengthening digital infrastructure, making homes more energy efficient, speeding up the switch to clean energy and investing in public transport, natural infrastructure and resource efficiency. If attention is paid to supply chains and localisation, there are further opportunities to rebalance the economy and for rural regeneration.

Scottish Environment LINK would like to highlight opportunities in the following areas:

 Transition to a more circular economy to reduce our use of raw materials and dependence on overseas supplies:

At the core of our impact on the climate is the sheer quantity of raw materials extracted to feed our demand for new products and the pollution produced from processing them. **We will not meet our climate change targets without a focus on materials**<sup>3</sup>. We need to re-orientate

<sup>&</sup>lt;sup>1</sup> https://ensia.com/features/covid-19-coronavirus-biodiversity-planetary-health-zoonoses/

<sup>&</sup>lt;sup>2</sup> http://www.ox.ac.uk/news/2020-05-05-building-back-better-net-zero-emissions-recovery-green-covid-19-recovery-packages#

<sup>&</sup>lt;sup>3</sup> https://www.ellenmacarthurfoundation.org/our-work/activities/climate-change

our economy to one that is more circular and uses less raw material. Research has found that we need to look beyond material efficiencies and focus on absolute reductions in materials and energy <sup>4</sup>. In a recent LINK poll<sup>5</sup>, 87% of the Scottish public agree with the statement 'In Scotland we should use raw materials more wisely and waste less'.

A more circular economy is also a more resilient economy, often embedding shorter supply chains and the re-shoring of manufacturing<sup>6</sup>. The economic opportunities associated with moving to a more circular economy in Scotland have been estimated at about £3billion in annual savings<sup>7</sup> and an estimated 14,600 jobs could be created<sup>8</sup>.

• Nature-based solutions to climate change: reducing emissions and enhancing biodiversity Nature-based solutions to climate change, such as restored peatland, increased high nature value woodland and carbon storing marine habitats, bring additional benefits such as reducing flood risk and cleaner rivers and associated cost savings — costs associated with river flooding amount to £32 m per year. Nature-based solutions can also enhance our landscape and wildlife and bring economic benefits to rural areas. Overall it is estimated that total visitor spending attributable to nature-based tourism per year (rounded and after displacement is deducted) is £1.4 billion with 39,000 associated FTE jobs<sup>9</sup>.

## Climate and nature friendly farming and food

The shift to an integrated food policy designed to cut emissions and enable everyone to enjoy healthy sustainable diets offers huge economic opportunities. First, reducing the burden of diet-related ill health (and the persistent inequalities associated with this) in our society and economy improves our collective wellbeing and also our resilience and productivity as a nation. Second, a transition to low carbon farming (including organic farming, sustainable aquaculture, and protected cropping using renewable energy) and low carbon fishing (including protecting and recovering blue carbon habitats, encouraging low-impact methods, developing lower carbon fishing technologies and investing in greener fuels/propulsion) ensures a continuing market for Scottish produce, as both citizens and supply chain actors increasingly demand sustainable production methods. Third, the regeneration of our natural environment (soils, water, terrestrial and marine ecosystems) associated with this transition adds to our natural assets and underpins not just our future food-producing capacity but also our tourism sector and our global reputation.

## A wellbeing economy

There is an opportunity to move us to a wellbeing economy, so that economic activity better aligns with the changes needed to meet climate targets while reducing inequalities/improving the quality of people's lives, including access to nature. We support the promotion and use of a broader set of economic indicators, as part of a revised Economic Strategy, to move us to a focus on economic activity that is good for all people and the planet.

 $\frac{https://www.zerowastescotland.org.uk/sites/default/files/Scotland\%20and\%20the\%20Circular\%20Economy\%20\%28a}{\%20report\%20for\%20the\%20Scottish\%20Government\%29.pdf}$ 

<sup>&</sup>lt;sup>4</sup> https://iopscience.iop.org/article/10.1088/1748-9326/ab8589/pdf

<sup>5</sup> https://www.scotlink.org/publication/survey-report-public-attitudes-on-circular-economy-may-2020/

<sup>&</sup>lt;sup>6</sup> https://www.ft.com/content/246251d6-5d49-11ea-b0ab-339c2307bcd4

<sup>8</sup> https://www.zerowastescotland.org.uk/sites/default/files/Jobs Scotland online6.pdf

<sup>9</sup> https://www.nature.scot/sites/default/files/2019-

<sup>07/</sup>Publication%202010%20-%20SNH%20Commissioned%20Report%20398%20-%20Assessing%20the%20economic %20impacts%20of%20nature%20based%20tourism%20in%20Scotland.pdf

## 3.2 Economic challenges

- The main challenge will come if we fail to meet our targets the costs are well rehearsed. We need a step change in action in the immediate future to minimise these costs.
- The need for coherence across all public policy to ensure that all major spending/investment by the government and its agencies contributes to meeting climate targets and addressing the biodiversity crisis, rather than locking in dependence on fossil fuels.
- Integrating circular economy policies to reduce overall consumption of material resources into economic policy and the decision-making of government and private companies
- Private companies need to be engaged in a Just Transition strategy and a commitment to progressively reduce greenhouse gas emissions.
- Levels of investment needed will require blended funding. This should act as a stimulus to Scottish private-sector financial institutions to embrace green investment, offering them an opportunity to develop future-proofed capabilities.
- Communities impacted by loss of employment in industries that need to wind down and there needs to be a planned transition for these communities.
- Off-shoring of manufacturing to drive down domestic emissions could lead to further loss of employment (and does not reduce global emissions)
- Creating efficient systems which integrate assessments of impacts on climate, biodiversity and well-being into decisions about investments, in public and private sectors
- Generating statistics and data needed for these systems quickly enough
- To maximise gains in terms of addressing inequalities and regional disparities
- To change the way in which we use our land and sea to maximise carbon stocks and reduce emissions from farming and fishing

# 4. What do you think are the wider social (health, community etc.) opportunities and challenges associated with meeting Scotland's climate change targets?

## 4.1 Social opportunities

#### Active travel and placemaking

Increasing opportunities for active travel and attention to place-making reduces carbon emissions and other airborne pollutants, which have shown to be damaging to people's health, and delivers a range of benefits<sup>10</sup>. Active travel and opportunities for outdoor recreation bring health benefits associated with exercise, particularly important at a time when physical inactivity is contributing to more than 2,500 premature deaths each year, costing NHS Scotland around £94.1 million annually<sup>11</sup>.

#### Accessible green spaces

Green spaces, from urban parks to rural woodland trails, can be designed to provide people of all abilities and backgrounds with access to nature. This provides benefits to both physical and mental health, with studies showing that being out in the natural environment brings particular benefits, with a 30% reduction in the risk of depression achievable.

<sup>&</sup>lt;sup>10</sup> http://transformscotland.org.uk/wp/wp-content/uploads/2020/04/NPF4-National-Walking-and-Cycling-Infrastructure-National-Development-proposal-Cycling-UK-Ramblers-Scotland-Transform-Scotland-2020-04-30.pdf

<sup>&</sup>lt;sup>11</sup> NHS Health Scotland (2013) Costing the burden of ill health related to Physical Inactivity for Scotland. Edinburgh: NHS Health Scotland.

### 4.2 Social challenges

- There will be social challenges associated with the potential loss of employment facing communities dependent on high carbon sectors.
- Climate impacts are likely to affect already marginalised and low income communities the most.
- Limited public funding will put public services, including environmental services, under further strain.

#### 5. What would a successful transition to net-zero emissions look like for your sector/community?

- A parallel transition to ambitious reductions in our material and carbon footprints<sup>12</sup> (the amounts of raw material we use and the amount of carbon equivalent released directly and indirectly as a result of everything we do and use).
- A parallel transition to an improved state of nature.
- A transition to a wellbeing economy that involves people and communities and pays attention to reducing inequality and enhancing local democracy; in which overall growth in GDP is down-played and other economic indicators such as inequality, good employment and our assets are given more prominence.
- Recognition that the climate and biodiversity crises are inextricably linked and that nature and nature-based solutions to climate change are central to the transition.
- The regenerative capacity of soil and seas improved and nurtured.
- Producers being responsible for the life cycle impacts of their products, designing in re-use and designing out waste, driving eco-design and the optimisation of materials.
- An embedded right to repair.
- A presumption in favour of re-using and re-purposing existing materials.
- Waste becomes a by-product with a value as a resource.
- A better understanding of material flows to inform policy.
- Climate and nature friendly farming supported by public money for public goods.
- Access to nature helps people to value the outdoors and learn to protect it, as well as bringing benefits to health and wellbeing.

# 6. What actions do you think the Scottish Government should take to manage the opportunities and challenges referenced above?

- New policies must be developed to satisfy five key tests so that overall carbon emissions
  are reduced, nature is protected and enhanced, consumption of natural resources is
  sustainable and social wellbeing is improved.
- Launch a large-scale investment programme to rebuild the economy and meet nature and climate targets, including infrastructure and research and development.
- Invest in a Nature Network for Scotland.
- Invest in nature-based solutions to climate change.
- Prepare a new Economic Strategy for a just, circular and decarbonised economy.
- Require companies receiving public funds to contribute to a just transition.
- Build a circular economy.
- Increase funding for greenspaces and active travel.

<sup>&</sup>lt;sup>12</sup> Ideally one would also seek to reduce water and land footprints as well; but data on these is less developed

- Maintain and enforce robust environmental standards.
- Create sustainable and fair food systems.
- Reform agricultural support.
- Deliver a modernised climate and nature friendly fisheries management regime.
- Complete Scotland's Marine Protected Areas network and protect it from damaging activities.
- Develop National Planning Framework 4 to provide an overview of the spatial dimension of infrastructure and a focus on placemaking to maximise benefits.

Please see our briefing: Building the Future We Want for more detail on these points.

# 7. Are there specific groups or communities that may be, or feel that they may be, adversely affected by a transition to a net-zero carbon economy? What steps can be taken to address their concerns?

Some sectors of the economy will need to wind down and therefore there needs to be plans for how the communities dependent on these industries are to be supported. It is important that an inclusive approach is taken where affected groups are central in identifying the training and investment needed such that they have alternative employment options.

There is also the potential for communities and our environment to be adversely affected by badly planned and sited renewables or bioengineering.

# 8. Please provide here any other information, evidence, or research you consider relevant to the work of the Commission.

LINK's submission to the Economic Advisory Group

This response represents the collective view of LINK's <u>Green Recovery Group</u>. Members may also respond individually in order to raise more detailed issues that are important to their particular organisation.

Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 35 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

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