

PROJECT: Helping Scotland to Flourish Sustainably

ORGANISATION: Scottish Environment LINK

END OF YEAR REPORT

REPORTING PERIOD: 1st January 2016 – 31st December 2016

The third year of the project has built on the groundwork of years 1 and 2 and has been more outward facing. We have pulled together thinking to produce a narrative statement and briefing on the economy, we published our report on the circular economy, produced a further joint (Oxfam, STUC) briefing on the NPF to coincide with the latest review, and co-hosted a very successful conference with RSA Scotland and the David Hume Institute.

Summary of activities and outputs

1 National Performance Framework

New indicators published

The long awaited revised indicators were published by the Scottish Government in 2016. New indicators:

- Reduce underemployment
- Reduce the proportion of employees earning less than the Living Wage
- Reduce the pay gap (gender)
- Improve access to local greenspace
- Increase natural capital

LINK's had a significant role in the process and welcomed the additional environmental indicators, [press release](#) here.

After the new indicators were published, the Project Officer also wrote a short paper for LINK members on how to use the NPF in their advocacy, available on the LINK website for members only.

Roundtable

The roundtable was largely in abeyance in 2016, but was reconvened in September to coincide with the next review of the NPF. LINK continues to engage with the roundtable.

Further review of the NPF

Scottish Government Performance Unit have reiterated that improvement of the indicator set is an on-going process and the Project Officer is involved in the environmental indicator working group which met in June. Additionally, under the new Community Empowerment Act there is a statutory duty on the Government to review the outcomes every 5 years. This review started at the end of 2016 with some public engagement. We have developed a new briefing jointly with STUC and Oxfam to be sent out in January to coincide with the new

review. This briefing pushes the Government to reconsider reviewing the Purpose Statement as well as the National Outcomes; asks for alignment with the Sustainable Development Goals; presses for increased use of the framework in Government to bring about policy coherence, and calls for investment in better data.

In parallel to this the Project Officer has been working to raise general awareness about the limitations of GDP and the importance of other indicators through [press releases](#) (bottom of page) and social media and used the April Friends of the Scotsman article to discuss the National Performance Framework. Article [here](#).

2 Circular Economy

We published our report on the circular economy: [The Circular Economy: Implications for the Environmental Movement](#). Press release [here](#). There is a slightly longer version available to LINK members, which includes an additional chapter on the opportunities and threats that the circular economy presents for members.

The new SG strategy on the circular economy, *Making Things Last: A circular economy strategy for Scotland*, was published at the end of February which, when compared to the SG circular economy consultation paper (Aug, 2015), has an increased emphasis on the environment, which reflected LINK's input to the consultation.

We were invited to comment on the EU Circular Economy Package. Our [brief comment](#) is on the LINK website.

3 A transition to a sustainable economy

A significant focus for the year was to develop our narrative and, based on this produce a [briefing on the economy](#). This was sent out widely.

It was also the focus of our Autumn conference *A Sustainable and Low Carbon Scottish Economy: What needs to change and how* which was organised by the Project Officer and extremely well attended and received. We drew in supporting partners for this event, The David Hume Institute and RSA Scotland. Speakers included Graeme Maxton, Secretary General of the Club of Rome, George Kerevan MP, Katherine Trebeck, Oxfam, Lady Susan Rice, 2020 Climate Group, Maurice Golden MSP, Richard Leonard MSP, Jonathan Hughes, CEO SWT. We attracted a diverse audience from government, parliament, business and third sector. Presentations covered the impact of current production and consumption patterns and what is wrong with the way we view and run our economy. A panel discussed the opportunities and constraints in moving towards a sustainable economy in Scotland and breakout sessions looked at some of the approaches already being used that can help steer our economy

towards one that is more sustainable - the National Performance Framework, the circular economy, investment mechanisms and the natural capital approach. There is a [blog](#) and report available. Additionally an internal paper outlines possible follow up for LINK. The speakers provided useful insight which can be used in advocacy and revealed a surprising amount of consensus around the necessary direction of travel. New contacts and alliances were formed and existing ones strengthened.

4 Other

Economic analyses

Two pieces of work revealed the limitations of Scottish Government's preferred approaches to economic analysis and a lack of methodological robustness. First, our [response](#) as a stakeholder group to the research being carried out under the moratorium on unconventional oil and gas extraction, to which the Project Officer contribute, and, second, our [comment](#) on the Government's *Draft advice on net economic benefit and planning* written by the Project Officer.

In both these cases there was a degree of muddling of two distinct approaches to economic analysis: Economic Impact Assessments and Cost Benefit Analysis. The Project Officer wrote a paper for LINK members on this, available on the LINK website for members.

Air Passenger Duty

The Project Officer drafted the LINK Economics group response to the consultation on APD. See the response [here](#).

5 Capacity building in LINK

There was deliberately less emphasis on this in 2016 as the previous two years had significantly enhanced members understanding of issues. There were two papers specifically produced, as mentioned above – one about using the NPF in members' advocacy and one about different approaches to economic analysis. Our conference was open to LINK members, but not specifically targeted at them.

6 Outputs summarised

The Project Officer wrote a number of papers in 2016, most have been mentioned above:

Published briefings/reports/evidence/consultations (available from <http://www.scotlink.org/workareas/economics-forum/>)

- *The Circular Economy: Implications for the Environment Movement* (2016)
- *LINK EG comment on EU Circular Economy Package* (2016)
- *LINK response to APD consultation* (2016)
- *Comment on Draft advice on net economic benefits and planning* (2016)
- *LINK Briefing on the Economy* (2016)
- *Letter in support of Scottish renewable's call for Sustainable Energy Innovation Centre* (2016)

- *Evidence to Economy, Jobs and Fair Work committee (2016)*

Press releases and articles (available from <http://www.scotlink.org/workareas/economics-forum/>)

- Friends of the Scotsman article: *The Government should learn that happiness is not all about money (2016)*
- *SE LINK welcomes Scottish Government Indicators for assessing the state of our environment (2016)*
- *Circular Economy policies should target cuts in resource use (2016)*
- *Scottish Environment LINK welcomes Scottish government indicators for assessing the state of our environment (2016)*
- *GDP growth not good enough on its own say Scottish Environment LINK members (2016)*
- *New figures show UK far behind other countries on social progress (2016)*
- *Scotland a better place to live despite lower GDP compared to UK average (2016)*
- *Blog: A Sustainable and Low Carbon Scottish Economy: views from LINK Economic Group conference (2016)*

Internal reports for Economics Group and LINK members (available on request)

- *Using the National Performance Framework (2016)*
- *Approaches to Economic Analysis (2016)*

Workshops/conferences

A Sustainable and Low Carbon Scottish Economy: What needs to change and how, Nov 2016. Blog and report.

7 Developing contacts/allies

There is increasing interest across the sectors in developing alliances and recognition of value we can bring to cross-cutting themes. The economics workshop at LINK Congress in November 2016 drew in SCDI, Oxfam, Poverty Alliance and UNISON. The LINK Economics Group conference was supported by RSA Scotland and the David Hume Institute and brought together speakers and participants from across the policy community. We have on-going joint work with STUC and Oxfam on the NPF, and invitations for future collaboration from RSA Scotland, 2020 Climate Group and SCDI. All these collaborations represent examples of the environmental movement working with other sectors.

The 3 year grant from the Friends Provident Foundation has been very important in helping LINK as a network develop its understanding of and engagement with economics. It has enabled us to engage with new audiences in government and across civic society and to provide some much needed capacity within Scotland's civic society to improve the critique of the traditional economic approach on 'externalities', and to evidentially challenge the supremacy of an Economic Strategy per se above other societal goods. The grant has helped LINK members to agree on a core narrative to promote with others. It has enabled LINK to increase its reach beyond environment, and has, we think, helped others

to consider the natural environment more in their approaches. We are grateful to the Friends Provident Foundation for its support and will endeavour to build on what has been achieved to date.