## **Green Recovery**

Sarah Hart

Strategic Co-ordination and Public Body Engagement



## Today's focus

Scottish Government's priorities:

- Green Recovery
- Programme for Government
- Role of Public Bodies



# Programme for Government 2020/21

Published 1 September 2020 the PfG has 3 main priorities:

- A national mission to create new jobs, good jobs and green jobs - with a particular focus on our young people, supporting retraining and investing in our Green New Deal to tackle climate change
- Promote lifelong health and wellbeing by tackling COVID-19, remobilising and reforming the NHS and social care and tackling health inequalities
- Promoting equality and helping young people grasp their potential

Economic recovery must be a green recovery



## **Green Recovery**

Scotland's economic recovery will be a green recovery - to face the climate crisis and achieve net zero, and create new opportunities for jobs and growth.

Last year, we set out a Green New Deal to rethink the investments we make, and how we make them. This deal has now been expanded and enhanced to form the basis of our commitment to a green recovery from COVID-19.

The Green New Deal and green recovery is our coherent and strategic approach to Scotland's transition to net zero emissions by 2045:

- reducing emissions;
- capturing the economic opportunities of the transition to net-zero;
- driving the wellbeing economy through a just transition.



### **Programme for Government:**

The Programme for Government puts a green recovery and our net-zero ambitions at the heart of our action on jobs, skills, procurement, finance and investment.

#### Headlines include:

- > A £1.6 billion investment over the next parliament to decarbonise the way we heat our buildings and homes
- ▶ £500 million for active travel infrastructure
- > £100 million investment over the next five years in the Green Industry and Jobs Fund
- £60 million to support the decarbonisation of the industrial and manufacturing sectors
- ▶ £130m to expand Scotland's national forests, and a further £20m to increase nursery stocks
- An extra £150 million for flood risk management over the next five years
- £70 million to improve local authority waste collection infrastructure
- The Scottish National Investment Bank will launch this year with £220 million of fresh seed funding in 2020-21 as part of the £2 billion capitalisation pledge to invest in businesses and markets that are key to our net zero transition
- **Green Investment Portfolio** to identify over £3bn net zero investments in Scotland to global investors.
- Develop tools and guidance to support a green recovery and climate and circular economy ambitions through procurement.



### Investing in green jobs and skills

To drive a green recovery and move onto a trajectory towards a just transition to net zero, we are driving demand in low carbon markets to create good, green jobs and equipping people with the skills they need to access these jobs. Including:

- Establish a £100m Green Jobs (£50m of which will be delivered through the Enterprise agencies) fund to support businesses to develop and expand the production of green products and services and to ensure supply chains can capitalise on public and private investment in the transition to a low carbon future
- A £60m Youth Guarantee including increased opportunities for 'green' apprenticeships across public sector bodies
- A £25m National Transition Training Fund aimed at bridging the skills gap between those facing unemployment and sectors with greatest potential for future growth, including focus on provision of green skills
- Develop a Green Workforce and Skills Development Package with an initial skills gap analysis undertaken by NatureScot
- £60 million to support the industrial and manufacturing sectors including the £34m Scottish Industrial Energy Transformation Fund and the £26m Manufacturing Low Carbon Infrastructure Challenge Fund



# Transforming the way we heat our buildings and homes

Over the next Parliament we will invest nearly £1.6 billion in transforming our buildings to ensure that emissions from heating are eliminated by 2040 and to remove energy efficiency as a driver of fuel poverty. This includes:

- Opening our £50 million Green Recovery Low Carbon Infrastructure Transition Programme (LCITP) to support low carbon and renewable heat projects in Scotland.
- Publishing a draft Heat Policy Statement and refresh the Energy Efficient Scotland Route Map from the end of this year, setting out our vision and route map for transforming the way we heat Scotland's buildings.
- Establishing an expert group to make recommendations to Scottish Ministers on the scope of a potential heat pump sector deal
- Launching a scoping consultation on standards for new buildings requiring them to use renewable or zero emission heat from 2024



# Investing in Scotland's land and natural capital

Scotland's natural environment is our greatest asset. We will be:

- Investing an additional £130m to expand Scotland's national forests and land, with 18,000 hectares of new woodland planted per annum by 2024 and a further £20m to increase nursery stocks
- Committing to significantly increasing the rate of peatland restoration through our £250m investment over the next 10 years
- Continuing to support biodiversity, including through the Biodiversity Challenge Fund, with £3m funding in 2021-22
- Continuing to develop the Agricultural Transformation Programme, utilising the Agricultural Transformation Fund, including a capital grant scheme
- Establishing a £2 million fund for low carbon projects on our islands, helping deliver on the Rural and Islands Economic Recovery Plan, and a number of low-carbon commitments in the National Islands Plan.
- Continued funding for the Scottish Land Fund providing £10m per year to help communities purchase assets.
- Establishing a £70 million fund to improve local authority recycling infrastructure; and exploring options to unlock reprocessing investments



# The role of public bodies in tackling climate change.

- PfG 2020- 2021 commits SG to leading by example on the global climate emergency, and requires Scotland's public bodies to do so too. Key announcement in this year's Programme for Government includes:
  - Committing at least £95 million to decarbonise the public sector estate.
  - We will carry out a scoping consultation in autumn 2020 on standards for new public sector buildings, requiring them to use renewable or zero emission heating from 2024.
  - We are collaborating widely across the public sector on developing tools, guidance and a practical approach towards public procurement, to support a green recovery and our wider climate and circular economy ambitions.
  - PfG 2020-2021 included our ongoing commitment to decarbonise the public sector fleet by 2025 and establish a zero emission heavy duty vehicle programme in the public and private sectors.



# The role of public bodies in tackling climate change.

- We recognise that the public sector has an important leadership role in helping to deliver Scotland's ambitious target of net zero emissions of greenhouse gases by 2045. The new reporting regulations strengthens that role and asks public bodies to include the following in their reports:
  - a target date for achieving zero direct emissions of greenhouse gases, or such other targets that demonstrate how the body is contributing to Scotland achieving its emissions reduction targets;
  - > any targets for reducing indirect emissions of greenhouse gases;
  - how the body aligns its spending plans and use of resources to contribute to reducing emissions and delivering its emissions reduction targets;
  - how the body will publish, or otherwise make available, its progress towards achieving its emissions reduction targets;
  - how the body is contributing to Scotland's Adaptation Programme (the most recent version of which was published in September 2019).



## **Green Recovery - Next Steps**

Building on the PfG programme for a green recovery, we will set out further details in the Infrastructure Investment Plan, the update to the Climate Change Plan, now due to be published in mid-December, and the Budget.

- We are recasting the Climate Change Plan update, due December, to be a key strategic document on green recovery.
- We want to work in partnership with public bodies to develop effective net zero transition plans and showcase leadership in Scotland.
- These new reporting requirements will help us to sequence the key actions needed for the transition and identify opportunities and partners to enable collaboration.
- mobilise private finance towards the net zero transition, including by setting net zero as the primary mission of the Scottish National Investment Bank; identifying projects worth over £3bn for the Green Investment Portfolio and developing a Green Growth Accelerator model with local government.

