Ministear airson na h-Àrainneachd agus Atharrachadh Aimsir Minister for Environment and Climate Change

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Dear Mr Kirk

I know you will be receiving evidence on climate change legislation in the UK from Dr Keith Allot, WWF-UK's Head of Climate Change, this month. I hope you will also be interested to receive information on the position in Scotland which I have summarised below. We are keen to work with Denmark to promote higher ambition from the international community in tackling climate change. Our First Minister, Alex Salmond, was in Copenhagen in 2009 during the UNFCCC Conference and my predecessor met Ms Lykke Friis, Danish Minister for Climate, Energy and Equal Rights, in June to discuss areas of common interest in climate and energy policy.

Scotland has a policy of acting as a responsible nation in the world and is determined to act as an international model of best practice on climate change. We are also keen to secure a comparative advantage in the low carbon economy as part of our drive for increased, sustainable economic growth. We firmly believe that a global low carbon economy is feasible, affordable and inevitable, and the sooner progress is made the sooner the world will reap the economic benefits. We want to make Scotland the destination of choice for low carbon investment and for the development of the financial architecture for the global low carbon economy. The evidence from Scotland shows that a modern industrial nation can cut emissions while growing the economy by grasping the significant job and investment opportunities of the low carbon economy. Jobs in the low carbon sector in Scotland could grow from 70,000 to 130,000 by 2020, over 5% of the Scottish workforce. Following our attendance at the UNFCCC conference in Cancun, Scottish Ministers will continue working with the UK Government and other forward-thinking countries like Denmark to make the case for greater international ambition in tackling climate change by highlighting Scotland's low carbon programme. In particular, we will continue to work in the months ahead to support the economic case for the EU to increase its target from 20% to 30% emissions reductions by 2020.







The Climate Change (Scotland) Act 2009 was passed unanimously by the Scottish Parliament, with strong support from business and civic society. The Act sets a world-leading target of a 42% cut in emissions by 2020 compared to 1990. The Act was designed to provide certainty for businesses and the public about Scotland's low carbon future. It requires that annual emissions targets are set in successive batches, and places limits on the use of purchased carbon units. The first batch of annual targets (covering 2010-22) was set in 2010, as was the limit on the use of carbon units for 2010-12. A zero limit was set for this period, meaning that investment in emissions reductions will occur here in the Scottish economy. The Act also establishes strong reporting requirements to bring transparency to the future policy framework. In addition, the Act also places specific duties on public bodies in Scotland to ensure they act in a way which will contribute to emissions reductions.

Following on from the Act we have maintained momentum on delivery action through a comprehensive programme of domestic implementation. We have published a Low Carbon Economic Strategy and continued with a massive programme of investment in renewable energy. Scotland now generates over 27% of its electricity demand from renewables and we have increased our 2020 target for renewables from 50% to 80%. With an estimated 25% of the European wind and tidal resource and 10% of its wave potential, Scotland can be the green energy capital of Europe. Importantly, this year we also produced a comprehensive Energy Efficiency Action Plan with a target of cutting energy consumption by 12% by 2020. We have published a detailed Report on Proposals and Policies that will take us to 2020, and set in secondary legislation annual targets to 2022 so we can as a Government now say, year-by-year, how we will progress to our 2020 target and beyond. In recent months we have been able to announce that by 2008 Scotland had cut emissions by 21% compared to 1990, reaching the half-way point towards our target of 42% emissions cuts by 2020.

As a Government, we are now presenting to the public the case for the benefits of the low carbon economy: Scotland's low carbon market was worth around £8.5bn in 2007-08 (within a GDP of around £100bn) and is forecast to rise to around £12bn by 2015-6; sales of offshore electricity could value £14bn by 2050, the equivalent of £2,700 for each person in Scotland; Scotland is already an exporter of low carbon technologies with £845m exported in 2009-10; household energy efficiency could save consumers a cumulative £8.5bn in their fuel bills by 2050; motorists could save £300m a year in reduced fuel costs by eco-driving; and farmers could save up to £464m by 2022 in business efficiencies.

I hope this is helpful in setting out Scotland's approach to climate change and the substantial job and economic opportunities presented by the low carbon economy and I look forward to further contact with colleagues in Denmark on this important agenda in the future.

ROSEANNA CUNNINGHAM



