

WWF Scotland

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PROGRAMME FOR GOVERNMENT 2024-25

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SUMMARY

WWF Scotland **welcomes the inclusion of a Heat in Buildings Bill** in the legislative programme. The Bill will give industry and households confidence to green their homes. Insulating homes and fitting heat pumps and heat networks is the best way to tackle both high energy bills and the climate crisis at the same time. There can be no further delays, however, and it's vital that deadlines to end use of fossil fuel boilers are introduced before 2045 to give industry confidence and meet our climate targets.

Given other budget decisions, it's **disappointing to hear nothing about how existing agricultural support will be shared out more fairly** and in ways that supports the industry to adopt climate and nature-friendly farming. Farmers and crofters need clarity and confidence that the industry will be supported to play its part to meet climate and nature targets.

The inclusion of a **Natural Environment Bill is a very welcome step** – and one WWF Scotland has campaigned for along with others. The Bill must include binding targets to restore nature across Scotland and galvanise nature restoration action. Of course, we won't come close to halting nature loss without funding like the Nature Restoration Fund and better distribution of existing funding for farm support.

CONTEXT

We now need to see the emergency response from government that is required to put our climate and nature ambitions back on track.

- Climate and nature action improves people's lives and our environment both locally and globally.
- By failing to treat the climate crisis as the emergency that it is, and deliver the actions needed, Scotland's 2030 target has been put out of reach.
- We therefore need the Scottish and UK governments, politicians from all parties, businesses, and the public to all play their part in delivering a climate and nature-friendly future.

The UK Climate Change Committee (CCC) identified the need for a rapid acceleration on climate action over the next decade if longer-term and annual targets are to be met.

- In its latest <u>Report to Parliament on Progress in Reducing Emissions in Scotland</u>, the CCC stated: "There are risks in all areas with significant policy powers devolved to the Scottish Government (transport, buildings, agriculture, land use and waste). (20/03/24)
- We urgently need a repeat of the success we've already seen on renewables, in sectors such as agriculture, homes, and transport.

It is only through strong leadership by the Scottish Government on these issues that the very best future for people in Scotland can be realised.

- There is overwhelming public support in Scotland for action that will create jobs and deliver warmer homes,
 reduce household bills with clean energy, and support more farmers to adopt climate and nature-friendly practices.
- The business case for net zero is clear:
 - Net zero will benefit the economy. It brings investment and jobs into the UK and to Scotland. Business opportunities that may be unlocked by a net zero transition exceed £50 billion per year over 1% of UK GDP. For every £1 invested in energy efficiency, it generates £5 in local economies.
 - Net zero will improve living standards and cost of living for individuals. We will have cheaper energy bills, more natural spaces, cleaner air, and sustainable, healthier and resilient food systems, which has direct ties to our overall health and wellbeing.
 - Net zero will lead to improved energy security. Committing to more sustainable forms of energy, like solar and wind, will stabilise costs, create low-carbon jobs and allow us to move away from volatile fossil fuel markets.
 - Net Zero provides business and investors with certainty. Over 400 businesses, investors and civil society organisations wrote to the Prime Minister last year warning of threats to competitiveness, jobs and investment by weakening climate policy. (20/09/23)

FUNDING FOR CLIMATE & NATURE

WWF Scotland understands the pressure on public finances, however, it is extremely frustrating to see short term thinking, as investment in climate and nature delivers multiple benefits, to both our environment and the economy.

- It's therefore a hammer blow to learn that funding needed to support action on climate and nature is to be cut and that half a billion pounds, raised from Scotwind, that was to have been invested in tackling the climate and nature crisis is to be wiped out.
- Scotland is one of the most nature-depleted countries in the world, and it's really important that we take steps now in order to begin to reverse that.
- Many of the actions that are taken to protect nature also deliver benefits for the public, whether by cutting
 carbon, cleaner air or helping to reduce flooding. Pulling money from this area is just storing up problems for
 the future.

HEATING OUR BUILDINGS

Scotland and the UK have been particularly exposed to gas prices rises, pushing up heating bills to unprecedented levels and pushing millions into fuel poverty.

- Heating buildings accounts for 20% of Scotland's climate emissions, with homes accounting for the largest single sector within this.
- The poor energy efficiency of Scotland's housing stock is also a major driver of fuel poverty, which has reached record levels during the cost-of-living crisis.
- By insulating homes and fitting heat pumps we can harness Scotland's abundant renewables to provide efficient, electric heat that cuts carbon and people's energy bills.

<u>Research</u> by WWF Scotland and Nesta shows that with the right policies, 95% of homes could enjoy lower energy bills with heat pumps.

- Cleaner heating (insulation, heat pumps, heat networks) are the best way to lower homes' energy bills and end exposure to unstable fossil fuel prices.
- Regulations should be accompanied by continued Government support, where required, to ensure that upgrades are affordable to households. Research has shown how valuable such investment can be, with £5 for every £1 invested by Government in energy efficiency. (University of Strathclyde, 2018)

It is welcome to see that a Heat in Buildings Bill will be introduced this year. The proposed standards and regulation can provide certainty to the businesses that will deliver this transition and ensure Scotland remains on track to reach net zero.

- Regulation to require minimum standards of energy efficiency, require connection to heat networks and to
 phase out the use of fossil fuel boilers will be crucial to give people long-term clarity and industry the
 confidence to invest, expand and reduce costs.
- 1 in 3 homes in Scotland currently live in fuel poverty. In the private rented sector, this figure is even higher. A Heat in Buildings Bill will provide the regulation needed to ensure landlords do their duty and provide homes that are affordable and warm for families renting them.
- Last year's consultation simplified the proposals for a Heat in Buildings Bill and pushed back key deadlines this gave households and industry more time to prepare but makes meeting climate and fuel poverty targets even harder.
- It's particularly important that the Bill gives Ministers powers to phase out the use of fossil fuel boilers *before* 2045. This will give clean heating industries the confidence to invest and ensure that household carbon emissions are reduced steadily to the net zero deadline in 2045.
- Last year, polling conducted by WWF Scotland showed that the majority of people in Scotland support
 Government policy to phase out fossil fuel boilers, with even stronger support for energy efficiency regulation. (WWF Scotland, 31/07/23)

NATURAL ENVIRONMENT BILL

A Natural Environment Bill sends the right message that Scotland is serious about restoring nature.

- We are in a biodiversity crisis, with 1 in 9 species in Scotland at risk of extinction, and this is inextricably linked to the climate and societal wellbeing.
- Scottish biodiversity intactness ranks in the bottom 12% globally. (<u>Natural History Museum's Biodiversity Intactness Index</u>, 20/10/21)
- The nature and climate emergencies are interlinked and restoring nature can provide natural solutions to climate change, by capturing and locking away carbon, slowing flood water flow, storing water in times of drought and creating space for wildlife to move as the climate changes.

The Bill must include binding targets to restore nature across Scotland and galvanise nature restoration action.

- The Scottish Government said in 2021 that it would set nature recovery targets in a Natural Environment Bill that law has already been delayed.
- We need the Scottish Government to set legally binding targets for nature recovery, to restore natural habitats and reverse the decline in Scotland's nature on land and at sea.
 - o Targets should be included for species and habitats, in terms of quantity and quality, and the means of conservation action.
 - o Target 2 of the GBF calls for 30% of degraded ecosystems to be under effective restoration by 2030.

 This bill, alongside a finalised Scottish Biodiversity Strategy, while providing the right incentives and removing unnecessary barriers such as a complex mosaic of licenses and regulation, will enable mainstreaming of nature recovery across Scotland and communities to play their part.

REFORM AGRICULTURAL FUNDING

Farmers and crofters need clarity and confidence that the industry will be supported to play its part to meet climate and nature targets.

- Scottish agriculture is responsible for almost one fifth of greenhouse emissions and is the nation's second biggest emitter.
- Scotland's farmers and crofters are key to restoring nature, fighting climate change, and supporting and revitalising rural communities, while working to produce food and other goods.
- To remain on track to reach net zero as a nation, the agriculture sector will need to see dramatic reductions in emissions. However, emissions from agriculture have seen only modest decreases in recent years, reducing by just 1% between 2021 and 2022, after rising by almost 2% the previous year (Scottish Government Greenhouse Gas Statistics 2022, 18/06/2024).
- Although the Scottish Government has set out its ambition to become a global leader in sustainable and regenerative agriculture, clarity about exactly what this entails and how this helps Scottish agriculture deliver for climate, nature and people is currently lacking.

WWF Scotland believes that the current agriculture budget should be increased but spent differently.

- We believe the Scottish Government should create a fairer funding system that allows farmers to protect nature and reduce emissions while continuing to produce high quality, nutritious food.
- By supporting activities such as woodland creation, peatland restoration and better soil management, we can help nature thrive, lock in carbon and support climate adaptation, whilst building resilience.
- The UK Government should increase the overall farming budget at least in line with inflation to reflect the needs of farmers in each of the four nations of the UK.
- Recent polling commissioned by WWF Scotland shows that the majority of people in Scotland are fully behind farmers being better supported to produce our food and protect nature. (WWF Scotland, 14/06/2024)
- The success of the Scottish Government's proposed approach to farm funding will be **dependent on the allocation of funding** between the four tiers it has proposed and the **design of schemes** within this.
- This is especially important given the agricultural budget will decrease in real terms in coming years by close to £75 million
- Investing in advice, knowledge transfer and innovation while developing a new farm payments system will allow farmers and crofters to be better equipped to make changes when legislation comes into force.

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