

Lecture Report:

## Scotland's Transition to a Low-Carbon Economy

Civil Service College Auditorium 31 October 2016



The efforts to greatly reduce the use of carbon fuels in Scotland represent both an economic challenge and a market opportunity, said Chris Stark, the Scottish government's Director of Energy and Climate Change during a CLC lecture on 31 October.

"Turning around the Scottish economy to a genuine low-carbon basis is an economic objective in the long run," said Stark, after outlining the country's ambitions to reduce by 80% its carbon emissions from 1990 levels by the year 2050.



"The fact that we have a piece of legislation (the Climate Change Act) that says there must be a (carbon reduction) plan, and that you must have an annual carbon budget for each sector of the economy, is something that the ministers don't like. Because it means that there are decisions that have to be taken now that aren't always popular. But the idea that there is a collective decision-making process around those things is the only way to do this.

"If we can (de-carbonise) quicker than the global economy chooses to do so, we should, at least in theory, build a set of services, industries, standards, sectors and products that can be exported.

"But I'm not shying away from the fact that some of the things that we'll need to do are really tough, so they're not naturally bedfellows with economic growth, and are a challenge at least to conventional ideas of how you keep the economy growing."



"We are going to look much harder at setting regulations and standards, and those are politically very sensitive issues. What's interesting about the (Climate Change Act) is that it requires politicians to...set a long-term policy over these things."

Having almost fully de-carbonised their electricity sector through the use of renewable energy including windpower and hydropower, Scotland is now targeting carbon reductions in other areas of energy consumption.

"We are more focused on reducing our consumption of energy, and the policies that are necessary to do that lie in...housing and transport and how we use our land," said Stark.

To address challenges such as energy-inefficient infrastructure and transportation demands, the Scottish government is banking on comprehensive economic modelling and solutions that take a holistic system approach.



"One of the biggest challenges of government is to think in a systems way. The process of making decisions around carbon is just the same as making decisions around financial budgets. The idea of constraining the decisions of an elected official, a minister because there's a carbon impact is still very novel, and it's very easy to not make those decisions.

Stark also affirmed the importance of political vision. "We have a target of producing 100% of electricity demand by 2020 from renewable sources. I completely agree now that it was a sensible thing to set that target. We would never would have got close to the level of renewable energy that we're producing now, had there not been that target.

"One of the reasons why (an ambitious) target is so important is because we're in a global market, and global investors look for these things as a reason to put safe investment in a particular country. Scotland has been seen as a place to do renewables investment, and one of the main reasons is that we have a planning policy to support it...and at the multi-national level, in board discussions about where to put investment, things like having that target really matter.

"We've seen the benefit of that, and having a positive political environment. Upping the ambition politically is the way you get things done."

## About the Speakers

Speaker:



**Chris STARK**Director of Energy and Climate Change The Scottish Government

Chris Stark leads the development of Scotland's approach to emissions-reduction and the accompanying energy system transition. His team provides advice to Scottish Ministers on all aspects of energy and climate policy – and on licensing and consent decisions for new onshore energy infrastructure. Chris previously headed the Strategy Unit, the Scottish Government's central strategy team, and has worked in a number of Whitehall departments. He has wide experience of economic policymaking, in the Scottish Government, HM Treasury and the Department for Business, Innovation and Skills.

Moderator:



**Leonie LEE**Director of Energy and Climate Policy Ministry of the Environment and Water Resources (MEWR)

Leonie Lee currently works on climate change mitigation and adaptation, as well as energy efficiency policies in Singapore's Ministry of the Environment and Water Resources. Prior to this posting, Ms Lee served in various government sectors including the Ministry of Finance, Ministry of Education and Ministry of Trade and Industry. Ms Lee was also seconded to the World Bank HQ in Washington D.C for a year – working on higher education and skills upgrading projects in the South Asia Region. About CLC The Centre for Liveable Cities was set up in 2008 by the Ministry of National Development and the Ministry of the Environment and Water Resources, based on a strategic blueprint developed by Singapore's Inter-Ministerial Committee on Sustainable Development. Guided by its mission to distil, create and share knowledge on liveable and sustainable cities, the Centre's work spans four main areas - Research, Capability Development, Knowledge Platforms and Advisory. The CLC Lecture Series is a platform for urban experts to share their knowledge with other practitioners.