**‘Climate Tech’ a major opportunity for Scotland’s economy, says report**

***Industry ‘think-and-do tank’ calls for national innovation mission behind Climate Tech***

A new report has been produced by the Scottish Council for Development and Industry (SCDI), BT, the Royal Society of Edinburgh, and ScotlandIS. It outlines Scotland’s potential to be a leading innovator and exporter of technological solutions to climate change.

The report ‘Innovation Critical – Scotland's Net Zero Mission and Climate Tech Opportunity’ (full report available here <https://www.scdi.org.uk/policy/climatetech/> from June 30th 9.00am) finds that Scotland could be best placed to harness new and emerging digital technologies such as artificial intelligence and data analytics to reduce greenhouse gas emissions and mitigate the impacts of climate change.

This technology referred to as ‘Climate Tech’ - is a global market with huge growth potential that presents a major strategic opportunity for Scotland’s economy.

The report identifies **seven challenges** for Climate Tech in Scotland and proposes **ten recommendations** to deliver change. (See additional summary document).

Scotland is already home to a growing Climate Tech ecosystem, as well as a thriving, fast-growing tech sector and world-class colleges and universities. But SCDI believes the sector needs more support to grow and produce its first ever Scottish Climate Tech ‘unicorn’ (a start-up valued at more than $1 billion) to follow in the footsteps of Skyscanner or FanDuel.

The report, which has been supported by technology organisations BT and ScotlandIS, as well as respected fellowship organisation, the Royal Society of Edinburgh, also calls on Scotland to deliver more agile and solutions-orientated public-private partnerships across Scotland’s public sector with the aim of focusing on responding to net zero challenges.

**What can be done?**

The document calls for the Scottish Government to launch a ‘Climate Tech Moonshot’ to ‘inspire and coalesce ambition, action and collaboration around a national innovation mission’ with a target to achieve ‘at least one’ Climate Tech unicorn in Scotland and double the size of the climate sector by 2025.

It says this campaign should be backed by a dedicated Climate Tech accelerator and cluster, as well as greater public investment in early-stage innovation and the ‘missing middle’ of Scottish start-ups, to nurture and grow Scotland’s Climate Tech ecosystem.

The report also underlines the need to accelerate the pace of Climate Tech innovation and adoption. It calls for Scotland to ‘pioneer and rollout new innovation models’ which can accelerate financing and boost scaling by bringing together innovators, investors and industry to co-design new markets or create commercial opportunities.

*Sara Thiam, SCDI’s CEO, said:*

*“Climate Tech represents a major strategic opportunity for the Scottish economy. This report sets out practical ways we can strengthen and expand our ecosystem to establish Scottish start-ups as leading innovators and exporters of technological solutions to the net zero challenge.*

*“COP26 in Glasgow will put Scotland in one of the biggest shop windows in the world. We need to be ready to showcase the potential of our budding Climate Tech sector to attract inward investment, create green jobs and fuel clean growth.*

*“We’re calling on the Scottish Government and UK Government to work together and with industry, to put Scotland on the map as a living lab for Climate Tech innovation.”*

Dr Mark Dames, BT Group Head of Policy, Scotland, said:

*“We’re embarking on a period of immense change, innovating at pace and scale to develop digital enabling, low-carbon technologies that help us do things differently. Our ultrafast networks play a vital role in combatting climate change, with infrastructure like full-fibre broadband and 5G mobile networks paving the way for greener ways of life as they support everything from the development of smart cities to the Internet of Things. We hope to see government, businesses and individuals embrace this period of transition and put action on climate change at the heart of their efforts as we strive for a zero carbon world*.”

Dr Rebekah Widdowfield, Chief Executive of The Royal Society of Edinburgh, said:

*“There are substantial opportunities for climate tech in Scotland if business, government, the wider public sector and citizens work together. This report highlights the entrepreneurial and innovative capacity that exists and the opportunity for Scotland to become a major hub for climate tech and to bring new green investment and create jobs while ensuring that all citizens can benefit from Scotland’s climate tech revolution”.*

Karen Meechan, Interim CEO of ScotlandIS, said:

*“Scotland is a small country, but we have big ambition. We are already leaders in AI and data science, and we have a burgeoning digital sector.*

*Climate tech may be in its infancy but has the potential to make a big impact as the report launched today highlights.*

*We are well placed to capitalise on the technology, innovation and landscape that already exists in our country to take the opportunity that climate tech represents and, with the support of government, industry, and academia, create a flourishing ecosystem.”*

**NOTES FOR EDITORS**

**Climate Tech:** Climate Tech refers to digital technologies and their applications which support or enable climate action by businesses, citizens, communities, governments, households or organisations to reduce greenhouse gas emissions or address the impacts of climate change.

This report has been produced by a coming together of partners at BT, the Royal Society of Edinburgh, SCDI and ScotlandIS. The views and conclusions in the report are those of SCDI and should be attributed to SCDI.

**About SCDI:** SCDI is an independent, not-for-profit membership network representing the private, public and third sectors. We seek to influence government and key stakeholders to deliver social, economic and environmental prosperity for all of Scotland. 2021 is our 90th year. (Registered in Scotland no.24724.)

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