

# **Environment, Climate Change and Land Reform Committee**

Consultation response

## **Green Recovery**

The Scottish Council for Development and Industry (SCDI) is Scotland's Economic and Social Forum. We are an independent and inclusive economic development network representing all sectors and all geographies of the Scottish economy. Our mission is to convene our members, partners and stakeholders across the private, public and third sectors to deliver inclusive and sustainable economic growth for Scotland.

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# GREEN RECOVERY

**Do the principles of sustainable development, and those for a resilient recovery, as proposed by the UK Committee on Climate Change, provide a comprehensive framework for guiding an effective green recovery in Scotland?**

Our recent report, *Building Scotland's Green Recovery*,<sup>1</sup> set out four fundamental principles for Scotland's green recovery from the COVID-19 crisis:

1. **Impact** – Investments, interventions and policies should urgently accelerate our progress to net-zero, maximise impact on jobs, productivity, wellbeing and clean growth and deliver results at pace.
2. **Resilience** – Investments, interventions and policies should increase the resilience of our society, economy and environment to future disruption, shocks and crises.
3. **Fairness** – Investments, interventions and policies should reduce inequality, protect at-risk communities and support a just transition to net-zero which does not leave anyone behind.
4. **Ambition** – Investments, interventions and policies should be targeted to boost our global competitiveness as a world-leader in clean growth innovation, technologies and expertise.

Scotland needs to respond to the Climate Emergency with the same sense of urgency, and in the same spirit of collaboration, as we have this public health emergency. The Scottish Government's Programme for Government 2020/21 and Budget 2021/22 should reflect this.

**What key policies, actions and immediate priorities are needed to deliver a green recovery?**

*Building Scotland's Green Recovery* identified key policies, actions and immediate priorities for a green recovery with the support of our Clean Growth Leadership Group<sup>2</sup> and after engaging with dozens of businesses, organisations and stakeholders across Scotland.

- **Deliver 'Green Stimulus' for investment-led recovery**

The UK Government and the Scottish Government should deliver a large-scale fiscal stimulus package which invests in green infrastructure and other low- or zero-carbon 'shovel-ready' projects across Scotland to generate new demand, stimulate economic activity, create new green jobs and support clean growth. Scotland's green stimulus package should include new or expanded national programmes of investment at pace and at scale in domestic buildings retrofit and energy efficiency; domestic buildings heat pumps; low- and zero-carbon transport infrastructure; nature-based solutions (e.g. peatland restoration, tree planting); and digital connectivity. Investment in these areas will be particularly critical to quickly create large numbers of jobs in the months ahead and to support behaviour change and modal shift as people go back to work and school.

- **Establish a Green Jobs Transition Taskforce**

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<sup>1</sup> The full report is available here: [www.scdi.org.uk/policy/download-our-green-recovery-plan](http://www.scdi.org.uk/policy/download-our-green-recovery-plan)

<sup>2</sup> More information is available here: [www.scdi.org.uk/cleangrowth](http://www.scdi.org.uk/cleangrowth)

The Scottish Government should establish a Green Jobs Transition Taskforce in partnership with business, industry, local authorities, trade unions and Scotland's enterprise and skills agencies as an emergency labour market intervention. Its role in the Green Recovery should be to prevent a surge in mass unemployment in the late summer or early autumn by planning for workforce transition, managing sector change and supporting laid-off workers with the information, advice or reskilling and upskilling opportunities they need to transition quickly and smoothly into new green jobs. The risk of large-scale redundancies over the coming months in key sectors for the Scottish economy (e.g. tourism & hospitality, retail, construction, energy) remains high.

- **Create a Green Reskilling & Upskilling Fund**

The Scottish Government should create an ambitious, universal and flexible Green Reskilling & Upskilling Fund.<sup>3</sup> The Fund should give every Scottish adult a lifelong entitlement of credits which they can use to fund green reskilling and upskilling opportunities at any stage of their life or career to keep pace with changes in technology, the environment or employment. Launching such a fund as part of Scotland's Green Recovery would spark a green learning revolution to make Scotland's workforce globally competitive, highly skilled and fit for the green jobs of the future.

- **Funded or subsidised green apprenticeship and employment opportunities for young people**

Young people are likely to suffer disproportionately as a result of the crisis. The Scottish Government and Skills Development Scotland should work with employers to create funded or subsidised green apprenticeships, placements and other employment opportunities for young people, especially those who have developed green skills and are leaving university or college. The Advisory Group on Economic Recovery's proposal for a Job Guarantee for young people is therefore very welcome.

- **Develop Green Town/City Plans for Scotland's towns and cities**

Scotland's towns and cities should develop Green Town/City Plans with support from the Scottish Government and local partners which set out steps they will take to transform their topography and connectivity to create more inclusive, resilient and sustainable places. The Plans should include short-term changes and long-term commitments which will help communities and businesses recover and reduce emissions. Short-term changes should include rapid active travel interventions and new infrastructure to facilitate social distancing, support modal shift and help businesses reopen. The implementation of Low Emission Zones, which was recently paused, should be restarted with more ambitious objectives and on accelerated timescales. City Region Deal/Growth Deal projects should be reviewed in the context of net-zero.

- **New 'net-zero presumption in favour' green Place-making, infrastructure and development**

Planning authorities should implement a new 'net-zero presumption in favour', alongside other reforms and incentives, for low- or zero-carbon Place-making, infrastructure and development which is essential to achieving net-zero, like new active travel routes, onshore wind farms, pumped storage hydro or sustainable housing. By accelerating the approval and delivery of plans and projects which meet the highest net-zero standards, Scotland can help the housing and construction sectors to recover and decarbonise. The National Planning Framework 4 (NPF4) should also reflect this as a key priority.

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<sup>3</sup> Follows key recommendation of our *Upskilling Scotland* report: [www.scdi.org.uk/policy/skillsleadershipgroup](http://www.scdi.org.uk/policy/skillsleadershipgroup)

- **Reform public sector procurement model to build more local, sustainable and resilient supply chains**

Scotland's public procurement model must be reformed to support more local, sustainable and resilient supply chains which build stronger local economies and reduce emissions. New procurement rules, practices and culture, supported by improved workforce training and third-party certified information on climate impacts, should look beyond the outdated lowest cost model to holistically consider long-term economic and environmental costs and benefits.

- **Accelerate net-zero progress through support packages, rescue or bailout agreements and patient or venture capital**

The UK Government and Scottish Government should negotiate support packages or rescue and bailout agreements for crisis-hit businesses or sectors which include strong sustainability conditionality and accelerate progress by industry towards net-zero. It should maximise the impact of the new Scottish National Investment Bank as a patient or venture capital investor in clean growth tech innovators and scale-ups and as a green investment vehicle to sustainably manage state equity.