

**MANIFESTO
FOR
CLEAN
GROWTH
SUMMARY**

**CLEAN
GROWTH
LEADERSHIP
GROUP**

SUMMARY

Clean Growth Leadership Group

SCDI's Clean Growth Leadership Group brings together partners from across the public, private and third sectors to lead the way to Net Zero.

We published an interim report in June, Building Scotland's Green Recovery. Our plan for Scotland's Green Recovery from the COVID-19 crisis featured 12 big ideas to respond to the climate emergency with the same urgency as the public health emergency.

This new report builds on that work and looks beyond the immediate crisis towards the horizon of 2045 and asks:

What are the Clean Growth opportunities for Scotland of the transition to Net Zero – and how can we maximise them?

We have engaged with businesses, organisations, experts and stakeholders across all sectors and all geographies of the Scottish economy. Interviews, roundtables and surveys throughout 2020 have helped to inform this report and its recommendations. Our ideas are backed by business and have been shaped by SCDI's diverse membership.

We all have our part to play in Scotland's Clean Growth future and this report sets out how we can work together to accelerate the pace of change.

In Numbers: Our Evidence-Build



Our Vision

We believe Scotland's social, economic and natural resources – from our skilled workforce and unrivalled landscape, to our innovative businesses and world-class colleges and universities – give us unique advantages which we can leverage to capture the economic value of the global transition to Net Zero.

Our vision is for Scotland to be a world leader in Clean Growth which delivers for people, for our economy and for our planet:

- PLANET** – reduces carbon emissions/protects and restores nature/achieves Net Zero by 2045.
- ECONOMY** – boosts competitiveness/innovation/productivity/resilience/sustainability.
- PEOPLE** – creates green jobs/improves health & wellbeing/delivers a Just Transition for all.

Scotland's Clean Growth opportunities

This report identifies 7 Clean Growth opportunities and 21 priority actions for Scotland. It makes recommendations to government, business and industry, academia and education, regulators, investors, communities and citizens about how we can each contribute, and how we can collaborate with each other, to maximise them.

Together, they represent our Manifesto for Clean Growth:

1 INDUSTRY

Transform Industry

We can establish world-leading circular and bio economies in Scotland to transform and decarbonise industry to boost innovation, protect jobs and create green jobs in the new green sectors of the Net Zero economy

A Scottish Government and Zero Waste Scotland should bring forward plans for repair, durability and sustainability ratings for all electronic and household appliances supported by a national repair network

B Industry should build sectoral and cross-sectoral partnerships which develop circular expertise, innovations, strategies and new supply chains for reuse materials and repairs with support from Zero Waste Scotland, SEPA and Innovation Centres

C UK Government and Scottish Government should back biotechnological innovation which supports industry to decarbonise, transform Grangemouth into a biorefinery and protect jobs through public investment, innovation, incentives and innovation support

2 ENERGY

Clean Energy Innovation World Leader

We can build on our existing world-class energy expertise to maximise renewable energy generation and flexible storage, pioneer CCUS and build a hydrogen economy to create green jobs, strengthen domestic supply chains and lead in the Clean Growth technologies of the future

A Industry should work with Scottish Government to build an internationally competitive domestic supply chain for renewable energy manufacturing and related services and increase local content in equipment and people

B UK Government should bring forward the necessary funding to accelerate the Acorn CCS Project and establish a CCS Hub at St Fergus as one of the UK's four clusters

C Scottish Government and UK Government should invest in innovation, infrastructure and incentives to scale-up green and blue hydrogen production and use

3 CONNECTIVITY

Net Zero Domestic Connectivity

We can accelerate modal shift to active travel and public transport, invest in transport technology, innovation and infrastructure, transform supply chains and deepen digital connectivity to deliver world-leading Net Zero domestic connectivity by 2030

A UK Government and Scottish Government should work together to revisit the potential for a national model of road user pricing or similar measures to address congestion and fund future low- and zero-carbon infrastructure

B Industry should work with Scottish Government and local authorities to accelerate the building of a national network of EV and Ultra-Fast charging and hydrogen refuelling points as an urgent priority

C UK Government, Scottish Government, industry and communities should work together to reduce demand for travel and level the digital playing field by connecting all of Scotland with future-proof 5G infrastructure, prioritising rollout in hardest-to-reach communities

4 PLACE

Sustainable Communities

We can lock-in local value, increase planning ambition and resources, accelerate retrofit, decarbonise heat and raise building standards to build and nurture sustainable, resilient and thriving communities

A Public sector should mobilise total public spending of £81 billion in Scotland for Clean Growth through Community Wealth Building to create local, green jobs, build local, resilient supply chains and back inclusive, sustainable business models

B National Planning Framework 4 should recognise a presumption in favour for Net Zero developments within the context of plan-led development

C Scottish Government should provide strategic ambition, regulatory certainty, support businesses to adapt and innovate and implement an ambitious Net Zero Standard for all new buildings by 2023

5 PEOPLE

Green Skills Revolution

We can drive a Green Skills Revolution which builds green skills across society and invests in the reskilling, upskilling and lifelong learning of our people to prepare them for the green industries of the future to create new green jobs, boost productivity, raise wages and attract inward investment

A All schools, colleges, universities, training providers and employers should embed core green skills and carbon literacy across curricula, professional learning and work-based learning

B Scottish Government should coordinate a voluntary, inclusive and accessible National Service for Net Zero programme of employment and volunteering opportunities across the public, private and third sectors backed by a Green Skills Passport

C Scottish Government should create a Reskilling and Upskilling Fund which empowers every Scottish adult to fund reskilling or upskilling opportunities at any stage of their life or career

6 FINANCE

Close the Investment Gap

We can deliver a green stimulus, unlock green finance and recognise climate risks to fund the transition to Net Zero, deliver co-benefits for society, economy and environment and establish Scotland as a world leader in ethical, responsible and sustainable investment

A UK Government and Scottish Government should scale-up public investment funded through additional affordable borrowing and taxation of carbon emissions to deliver a large-scale green stimulus

B Scottish Government should develop the *Inward Investment Plan* into a Net Zero inward investment proposition which positions Scotland as the home of sustainable business

C UK Government should work with industry and devolved administrations to agree a new carbon pricing mechanism which aligns with Net Zero, fully accounts for carbon emissions and helps to fund Clean Growth innovation and infrastructure, including supporting a viable business model for CCUS

7 NATURE

Nature-Rich Future

We can reverse biodiversity loss, transform agriculture, support sustainable forestry, restore our peatlands and grow the Blue Economy to ensure a nature-rich future for all of Scotland

A Scottish Government should recognise the nature emergency and set ambitious nature targets to reverse biodiversity loss which are aligned with Scotland's climate targets

B Scottish Government should propose a new system of farm support payments which protects and restores biodiversity, support innovative and sustainable food production and is aligned with expanded and strengthened advisory services for farmers and crofters

C Scottish Government, its agencies, industry and academia should work together to shape and deliver the *Blue Economy Action Plan*, doubling the size of the sector by 2030 and positioning Scotland as a global leader in marine innovation and sustainability



The Way Forward

We know that this report is just the beginning. We know that the costs and challenges of delivery and the transition to Net Zero will be high – but the costs of failing to act for people, our economy and our planet will be even higher.

We must act and invest now to maximise Scotland's Clean Growth opportunities and to achieve Net Zero by 2045, giving real confidence and fresh hope to our young people and to future generations. The returns will also be high and we can all reap the rewards in the years and decades ahead.

We therefore propose 7 fundamental principles for the way forward to inform the implementation of our ideas:

1. **Ambition**

We all need to act with ambition to make Scotland a world leader in Clean Growth, because of the scale of the opportunity to strengthen social, economic and environmental prosperity.

2. **Collaboration**

We all need to work together to achieve Net Zero by 2045, because of the complexity and scale of the challenge. This should be the starting point of any action.

3. **Integration**

We need to think holistically and develop cross-sectoral partnerships and plans, because silos will create unintended consequences. We should provide certainty and foresight to allow businesses and individuals to prepare and adapt.

4. **Fairness**

We need to deliver a Just Transition which leaves no one and no community behind, because we cannot accept or afford inequality.

5. **Governance**

We need robust national governance and oversight to coordinate delivery, because there are many different actors across Scotland's economy and society which need to play their part to achieve Net Zero by 2045.

6. **Pace**

We all need to act with urgency to respond to the climate and nature emergencies and to maximise Clean Growth in Scotland, because time is short to save the planet and build our competitive advantage. We should be happy to test and learn what works, be comfortable with incomplete knowledge and accept that failure is a risk worth taking.

7. **Strategy**

We need to think strategically and develop long-term partnerships and plans, because systemic change can be difficult and will take time. We should take this opportunity to start and continue a national dialogue about how we meet any funding gaps, realising that our investments will also bring economic opportunities.

OUR PARTNERS



THANKS TO OUR PARTNERS

BP | City Building | Drax | Energy Saving Trust | Heathrow Airport | NatureScot | North Ayrshire Council
Oil and Gas Technology Centre | Oil and Gas UK | Perth & Kinross Council | Scottish Enterprise | ScottishPower
Scottish Water | Shell UK | University of Edinburgh | Zero Waste Scotland

FIND OUT MORE

Visit www.scdi.org.uk/cleangrowth | Email views@scdi.org.uk | Follow us @SCDInews
Join the conversation with #CleanGrowth or #NetZeroScotland

Partners supported the reporting via a Clean Leadership Group and provided extensive input to shape them. However, individual recommendations cannot be attributed to any single partner. SCDI takes full responsibility for the content and recommendations of all associated reports and publications.

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FURTHER INFORMATION

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