The context post COP26

We are now **over a quarter of the way through this crucial decade for climate action** which will determine if we limit temperature rises to liveable levels. With the outcomes of COP26 **inadequate** and with the **goal to keep global temperatures below 1.5°C on “life support”**, action to tackle the root cause and impacts of these crises is more urgent than ever.

The Scottish Government’s commitment at COP26 to provide finance to countries to recover from climate impacts that destroy lives and livelihoods – Loss and Damage finance – was positively received internationally. However, it has not as yet inspired numerous commitments from other rich polluting countries and, while it is symbolically welcome, the amount committed is very far from a true reflection of the climate damage created by Scotland’s past and present emissions. For the First Minister’s words about the need for climate “**reparations**” to be meaningful, **Scotland must do more not only to ensure the transfer of finance to countries most vulnerable to climate impacts, but also to stop creating yet more harm. That means cutting Scotland’s emissions more deeply and urgently.**

Since COP26, wider geo-political events have altered the context, while also highlighting **the importance and urgency of addressing climate change as actions to reduce emissions would also help to alleviate other crises**. The Covid-19 pandemic, Russia’s invasion of Ukraine, and the cost of living crisis have exposed serious impacts arising from our dependency on fossil fuels and reinforced the wider benefits of renewables, energy efficiency and food sovereignty. The measures to address the crises we face can be aligned and complement one another. **Action taken to address the cost of living crisis must also reduce emissions and help to achieve wider social, health and well-being goals.**

After three years of missed targets, the Scottish Government announced in June that their **emissions reductions target for 2020 had been met**. While welcome, this announcement itself acknowledged the impact of Covid restrictions, and SCCS observed that “**the reduction was almost entirely due to the Covid-19 lockdowns, rather than the longer-term changes to behaviour and policies that are needed in how we use and produce our energy and food**”. 
There is, therefore, **much more to do** to ensure a deep and sustained reduction in emissions, and SCCS is not alone in having serious concerns about Scotland’s ability to meet its legally binding target of reducing emissions by 75% by 2030. The Committee on Climate Change has said “the risks to meeting the 2030 interim emissions target are now acute.” Without getting on track to meeting emission reduction targets as quickly as possible, Scotland cannot claim world leadership on climate or truly do our fair share in responding to the climate crisis.

**Scotland can show world leadership on climate justice ahead of COP27**

As the next COP approaches, Scotland must live up to its rhetoric on climate leadership by announcing policies that would deliver benefits to people in Scotland that also ease the cost of living crisis and set an example for other rich nations. **These next few weeks are crucial, with some of the world’s attention remaining on Scotland following COP26 in Glasgow.** The Scottish Government should lead by example and make meaningful, ambitious announcements on the action it will take and build on commitments made at COP26, such as on Loss and Damage finance and the Glasgow Declaration on Food and Climate, encouraging other countries to follow suit.

At key moments in the run-up to and at COP27, **the Scottish Government should publicly:**

1. **Commit to re-doubling its efforts to urgently reduce emissions through bold, systemic changes across all sectors, as part of a Just Transition away from reliance on fossil fuels through an Energy Strategy that is based on demand reduction, locally and publicly owned renewables and efficiency.**

   *The most globally significant action the Scottish Government can take is to rapidly reduce emissions – this both ensures we reduce as much as possible any additional harm caused and sets an example of how to fairly transition to a low carbon economy.*

Emissions from the use of oil and gas arise primarily from their role in fuelling our transport and heating our buildings. Further investments in these de-carbonisation efforts can also contribute to a Just Transition, by providing opportunities in sectors such as renewables, energy efficiency and public/active transport. Such an approach also has widespread public support, with insulation
and energy retrofit measures recommended by Scotland’s Climate Assembly and campaigns from the STUC on retrofitting homes and more publicly owned bus services.

Demand reduction forms a key part of any sustainable strategy for greater energy security, which is further enhanced by greater reliance on varied renewable resources. Concerns about energy security, resilience and affordability, driven by global events and the current cost-of-living crisis, are best addressed by an Energy Strategy that is based on demand reduction, clean energy and greater efficiency. It should include plans for a managed and just phase out of oil and gas. This is not incompatible with such a strategy; indeed, it forms an essential part of a sustainable long-term approach.

Energy policy, especially oil and gas, is generally a reserved matter and the responsibility of the UK Government, which recently announced a damaging round of new oil and gas licences in the North Sea. However, there are also a range of devolved issues that also impact energy issues and the Scottish Government can use the forthcoming Energy Strategy to both set out a clear position opposing new oil and gas development and to start work on a managed phase out as swiftly as possible in line with limiting temperature rises to 1.5°C, in order to be a strong advocate for a new approach by the UK (and other) governments. This was illustrated, for instance, when the First Minister said that the Cambo “should not get the green light”, and should be replicated with public opposition to proposed fields Rosebank and Jackdaw.

For more on energy and oil and gas, see our briefing.

2. Build on and strengthen its positioning at COP26 to recognise historic responsibility for climate change and promote global climate justice, embedding the principle of climate reparations into policies and the subsequent communication of these.

Full recognition and financial support must be given to those having to deal with the impacts of our historic emissions, alongside urgent action to reduce future damage. Reparations can take many forms: apologies, financial compensation, debt cancellation, plus domestic legislative changes and policies. The key thing is that, whatever reparative actions are taken, they address the moral imperative to stop the injustices, to rectify them and to ensure they aren’t repeated.
This should include the continued locally-led expansion and implementation of the Climate Justice Fund and work to address loss and damage; as well as working with other small nations and non-state actors to promote greater acceptance and funding of such an approach by the global community as a whole. Building upon the First Minister’s statement that the Scottish Government’s financial commitment to addressing Loss and Damage was “not as an act of charity but as an act of reparation”, the Scottish Government should consider further steps to acknowledge Scotland’s historic contribution to climate change and moral duty to address this, embedding the principle of reparations into policies.

- Immediately make an explicit commitment that it will both maximise the use of its existing fiscal levers and identify new and additional sources of finance, using a polluter pays approach, to accelerate emission reduction in Scotland and finance international climate justice obligations.

Action taken to reduce emissions and deliver climate finance should be funded through new and innovative sources of finance, based on the ‘polluter pays’ principle.

In the short term, more funding should be allocated to policies which reduce emissions within current budgets, such as public transport – not least by reallocating expenditure away from those activities which cause higher emissions. Longer-term, however, a more fundamental review of fiscal measures is required and the Scottish Government should create and provide a secretariat for a short-life, independent working group to report to Ministers on the specific ideas and the general principles covered by the external report by Dr Richard Dixon, commissioned by SCCS, ‘Financing climate justice: Fiscal measures for climate action at a time of crisis’. Such a group needs to include those with expertise in climate change, in fiscal policy and in social justice.

Announcing the creation of this group would be an important statement of intent in advance of COP27 in Egypt in November. It would set a strong example for parties to the UNFCCC to match at a time when all rich, high-polluting nations must accelerate their emissions reduction and simultaneously increase their financial support to impacted communities.

For more on fiscal measures for climate justice, see our briefing.