

## The Environment, Climate Change and Land Reform Committee

## Green recovery

Submission from **Scottish Wildlife Trust**

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**Do the principles of sustainable development (as set out in the annexe), 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?**

The principles listed are important, but they are not ambitious or comprehensive enough to achieve Scottish Government's stated objective of a green, just and resilient recovery.

We welcomed the Advisory Group on Economic Recovery's report as it seeks to move us away from the narrow focus on GDP and recognises the urgent need to also address the climate and biodiversity crisis. The 'four capitals' approach they set out is the right framework and their intention "to treat each pillar as equally important; to understand their interaction; and to pursue interventions that will first protect and then progress each of them" is essential. This would be a valuable step in enhancing the existing economic-strategy and National Performance Framework.

The Trust believes that to deliver a truly green and transformative recovery there needs to be a strong emphasis on investment in natural infrastructure, nature-based solutions and improving our wellbeing. We already know from recently [published research](#) in the Oxford Review of Economic Policy that investment in natural capital is one of the highest scoring economic recovery policies in terms of both climate change and economic benefits. [Other research](#) also shows that such investment is effective in boosting local jobs and economic activity. For a truly green and transformative recovery the Trust would like to see policies implemented that are designed to be:

- **Timely** – impact quickly, at the right time to help retain jobs;
- **Targeted** – support the people most affected and in a way that we get the biggest bang for our pound;
- **Temporary** – help the initial recovery but be capable of being withdrawn easily, and importantly
- **Transformative** – ensuring that policy encourages the wide-scale change needed to meet our climate change, biodiversity, social inclusion and health imperatives.

The first three tests are often referred to in traditional economics but, in our view, they are not sufficient to ensure that policy focuses on the longer-term. Scotland has an opportunity to take a unique approach by ensuring that its support 'builds back better' by making recovery truly transformative. For policies to pass this further test they must focus on all aspects of our wellbeing, whilst the long-term focus also significantly reduces the risk that economic policies will be wasteful.

A focus on justice and fairness is lacking in the principles suggested. As well as political and ethical importance, the [IPCC](#) and [IPBES](#) have already pointed to the importance of this in achieving positive environmental outcomes. For a just transition and a green recovery the Trust thinks that the Scottish Government's [Just Transition Commission](#), who advise on the application of the International Labour Organization's [principles](#) for a Just Transition, should be actively involved. The Trust notes the Commissions [Advice for a Green Recovery](#) and endorse their recommendation for supporting "the rural

*economy by helping Scotland's nature" and "new employment opportunities by investment in rural communities and in Scotland's natural capital".*

New policies for a resilient recovery need to be able to take account of wellbeing derived from access to nature, with communities actively engaged. This should include recognising and mitigating social inequalities in access to green spaces. The Scottish Government's and COSLA's [Place Principle](#) should define this approach which *"helps partners and local communities unlock the National Performance Framework and make it applicable to where and how they live and work"*.

The Trust's briefing [Nature-Based Solutions: Achieving net zero, a just transition and improved wellbeing](#) covers these issues in further detail.

### **What are the key barriers to delivering a green recovery (within your sector and / or community)?**

- Lack of policy coherence:
  - We frequently come across a lack of coherence between either separate parts of government and/or different government policies and strategies. For example, with respect to land use, the 2030 target to double the value of the food and drink sector<sup>1</sup> risks undermining biodiversity, climate, and wider National Performance Framework objectives without being coherent with [the Environment Strategy for Scotland](#) and its desire to *"restore nature and end Scotland's contribution to climate change"* by 2045.
- The implementation gap:
  - Many of the policy tools available to achieve green recovery are already open to government and its agencies or have been promised for a long time. A key example is the lack of movement on the [National Ecological Network \(or Scottish Nature Network as it is also known\)](#). This has been a key policy commitment in both the National Planning Framework 3 and the Scottish Biodiversity Strategy. Creation of an NEN/Scottish Nature Network would have delivered sustainable jobs in all parts of Scotland, increased access to green space and help tackle the climate and biodiversity crisis. The lack of action on an NEN/Scottish Nature Network is a major barrier to progress and a green recovery.
- Narrow interpretations of what constitutes "green":
  - There is a real danger that we reduce the climate and biodiversity crisis to simply being about GHG emissions. It is essential that alongside decarbonisation, we are also reversing the decline of biodiversity. This is important for recognising the co-benefits of many forms of climate mitigation, such as appropriate nature-based solutions, for biodiversity.
- Narrow focus on GDP:
  - The green recovery needs to go beyond economic recovery. If we focus purely on GDP and economic growth and not also on nature recovery and societal recovery, we will not meet our climate and biodiversity goals or the Sustainable Development Goals.
- Funding:
  - As we have stated in previous oral and written evidence to the committee [funding](#) for the environment sector and to SNH has declined over the past decade and block grants to major NGOs have severely declined. We need to see a reversal of these trends in environmental spending if we are to address the climate and biodiversity crises.

**What key policies, actions and immediate priorities are needed to deliver a green recovery (within your sector and / or community)?**

- The need for leadership on Conservation Finance:
  - Initial, world leading, exploratory work has already been started on Conservation Finance with the SEPA and Scottish Wildlife Trust delivering the “[Route Map to £1 Billion](#)” in May 2020. The overall aim is to leverage innovative financing for investment in natural capital. Conservation finance approaches are key to achieving a truly green and transformative recovery. There are huge economic and social benefits to this approach, helping us move towards a well-being economy. Leadership from the Scottish Government is essential at this juncture. The expert group behind the Route Map have taken conservation finance to this initial stage and help is needed to move it forward.
- Make strategic investment in natural infrastructure one of the top priorities for a green recovery, which includes:
  - Implementing the advice of the Infrastructure Commission. In their [first](#) and [second](#) phase reports the Infrastructure Commission advise instigating a system-wide needs assessment for natural infrastructure and also setting up an independent, long term body to give advice on economic, social and natural infrastructure.
  - Delivering a [National Ecological Network/Scottish Nature Network](#). This can be achieved through the Land Commissions Regional Land Use Partnerships, the Infrastructure Investment Plan and the National Planning Framework 4. The hyperlinked document gives a full description of the principles but essentially this would be about giving the same level of strategic coordination to our green and blue infrastructure as we do our built and digital infrastructure – there is currently no strategic planning at scale at Scotland and we will need it if we are to meet climate and biodiversity challenges.
- More investment is needed in our skills base to deliver new ‘green collar’ skills that can restart the economy, support the investment in natural infrastructure and transition to net zero:
  - The UK CCC advised that Scotland needs to focus on reskilling and retraining programmes to develop the new and updated skills that are needed in the transition to net-zero and this was echoed in the work for the Oxford Review of Economic Policy. In the short-term government support could help people who have lost their job because of the crisis to retrain to be able to undertake key conservation tasks essential to the green and transformative recovery. It should also invest in developing the skills that we will need to deliver the sustained increase in natural infrastructure in the next Infrastructure Investment Plan.
- Ensure that all new development is net positive for nature:
  - This should be prioritised through the National Planning Framework 4. This would require new developments to leave nature in a better condition, rather than simply preventing and reducing the worst impacts of development on the environment. Crucially there should be a net overall benefit for nature. “Securing positive effects for biodiversity” could be achieved in a variety of ways, including through investing in projects to protect, restore and enhance Scotland’s natural capital. The National Ecological Network/Scottish Nature Network would provide a logical framework for this.
- Reduce deer numbers to sustainable levels:
  - A first step should be accepting and implementing the recommendations of the independent [Deer Working Group](#). This would provide jobs, reduce pressure on peatland and allow natural tree regeneration.

- Signal the direction of travel on agriculture:
  - Ahead of 2027 publish a forward plan for wider land management and agriculture in Scotland. This is vital so land managers can plan business activity. Any new policy must have solving the biodiversity and climate crisis at its core. When new policy is developed for 2027 this will mean that stakeholders are prepared and able to move forward quickly.

**How should the 2021/22 Budget support a green and sustainable recovery and avoid locking in carbon; and what funding is needed in the ECCLR portfolio to deliver a green and sustainable recovery?**

- A step change in funding for natural infrastructure and nature-based solutions:
  - There is already a £2bn commitment for funding for the Infrastructure Investment Plan and natural infrastructure must get its fair share. We also need to consider how to make better use of existing funding and the UK CCC has advised that we must also consider changes in tax policy. The Scottish National Investment Bank also has a key role to play given its objectives to invest to promote environmental wellbeing and biodiversity.
  - Proper resource must be devoted to making National Ecological Network/Scottish Nature Network a reality. This would include proper resource allocation for its development within the Land Commission's Regional Land Use Partnerships, National Planning Framework 4 and the Infrastructure Investment Plan and with SNH as the lead agency – SNH must also receive additional funding to achieve this.
  - It is important to bear in mind that big funders such as National Lottery Heritage Fund have indicated that having such an approach – which would bring strategic coherence to environmental projects – would be very useful for them in awarding grant funding.
- Conservation Finance:
  - To kick start this approach in Scotland the Scottish Government should establish a Scottish Conservation Finance Fund, with an initial investment of £1 million, to help accelerate private investment, facilitate innovation, promote good governance, support the development of common metrics and scale up knowledge exchange.
  - Establishment of the Scottish Conservation Finance Fund will facilitate work on new programme areas, the first of which would be likely to include:
    - *The Natural Capital Pioneer Fund*. Led by [Conservation Capital](#), targets enterprises looking to grow or diversify to help biodiversity. By catalysing growth and attracting impact investors, the fund would develop the pipeline of environmental enterprises in Scotland. This is a key opportunity to implement Scotland's existing commitment on the National Performance Framework and apply the advice of the Advisory Group on Economic Recovery. The Fund requires initial seed funding of £100k against which 100% match funding from investors has already been pledged.
    - *The Nature Climate Bond*. Local Authorities would issue bonds direct to the public via a crowdfunding platform. The return to investors would come from a combination of long-term savings made by some of the interventions and income generated by others. Work previously carried out on behalf of Stirling City Council showed massive return on investment on natural capital assets.<sup>ii</sup>
    - *Invasive Non-Native Species Loans*. These loans would help organisations looking to put in place biosecurity measures to prevent the arrival or spread of INNS,

and to help eradicate INNS in Scotland. INNS cost Scotland well over £200 million each and loans would be paid back from future savings on the costs of management.

- Embed a new ‘Green Coherence Principle’ in all future government policies and policy reviews:
  - This would reduce the hidden costs of damage to biodiversity, improve climate resilience and optimise the benefits of public spending as part of a green recovery. This is an immediate, zero-cost intervention that will deliver long-term benefits across economic, social and environmental indicators. Opportunities are currently being missed and unnecessary costs are being incurred due to natural capital considerations not routinely being factored into policy decisions. There are now opportunities to achieve alignment across key policy areas including land management subsidies, Regional Land Use Partnerships, National Infrastructure Plan, National Planning Framework 4, the Climate Change Plan, Scotland’s Green Investment Portfolio and the new Scottish National Investment Bank.
- Local Authorities:
  - The biodiversity expertise in local authorities has dwindled to an all-time low with only 11 out of 32 authorities having dedicated biodiversity resource. This lack of capacity would significantly hinder a truly green recovery in Scotland given how much is expected of local authorities in terms of delivery and rectifying it would provide additional employment opportunities.

The Trust also supports Scottish Environment LINK’s submission.

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<sup>i</sup> <https://www.gov.scot/news/food-and-drink-exports/>

<sup>ii</sup> <http://naturalcapitalscotland.com/article/natural-capital-report-for-stirling/>