Knowledge to lead

Report

Towards a Low Carbon Economy for Scotland

18 June 2010, Cowan House, Inverness

HIE
Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

natural scotland
SCOTTISH GOVERNMENT

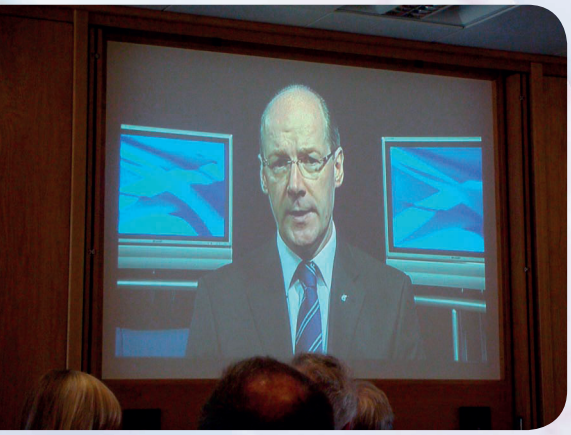
cifal Network

unitar
United Nations Institute for Training and Research

Inviting Response to the Scottish Government Discussion Paper

18 June 2010, Cowen House, Inverness

Towards a Low Carbon Economy for Scotland consultation seminar jointly hosted by Highlands and Islands Enterprise, CIFAL Findhorn and the Scottish Government, provided an opportunity for response from a cross-section of participants from local authorities, public sector organisations, research and educational establishments including director level delegates from Highland Council, The Moray Council, VisitScotland, Highlands & Islands Partnership Programme, Carbon Disclosure Project, Environmental Research Institute and DTA Scotland. Private industry and community businesses were represented by companies such as CBI Scotland, Stagecoach, BRE, Sleat Community Trust and Transition Black Isle.



John Swinney, MSP and Cabinet Secretary, Finance & Sustainable Growth started proceedings with an address to the specially invited delegates via video message. The ensuing debate, which focused on the ways in which Scotland can take a lead in securing the economic benefits of greener business, was facilitated by **Willy Roe, Chairman, Highlands and Islands Enterprise. Colin Imrie, Deputy Director, Energy Markets Division** and one of the leaders of the Scottish Government's discussion paper spoke about a range of low carbon economic opportunities based on Scotland's key strengths and opportunities and aligned with growing global market opportunities and domestic regulatory and legislative drivers. Delegates used the "World Café" process to facilitate discussion of additional opportunities for the region, how they could collaborate better to take advantages of low carbon economy opportunities, and in particular how to increase the level of innovation, investment and skills.

Response to Towards a Low Carbon Economy for Scotland Discussion Paper

Communication of the vision and implications

The Scottish Government's approach to a Low Carbon economy concentrates on the macro-perspective. The economic opportunities are comprehensively addressed. However, some respondents felt that the individual and local perspectives need to be addressed in a more direct way. A Low Carbon economy needs major institutions to invest many billions of pounds in new technologies, but some issues need public and consumer support - such as onshore wind, the purchase of low carbon vehicles. Ideally a clear picture of what a low carbon future might look like from the point of view of a citizen in a city, small town or rural area would be painted that would inspire and encourage the actions of individual citizens and communities. At present, many are not engaged with the ideas, as the image they have is a rather negative one of challenge and shortages rather than of abundant energy and opportunity.

What Significant Additional Opportunities?

Food and Drink

- More can be done to link Local Food and Drink branding with the opportunity offered by low-carbon tourism.
- Development of local products – reduce food miles.

Knowledge transfer, Education

- Low carbon literacy for all (UHI, OU, BBC), including on-line teaching.
- Build in to Continuous Professional Development plans.
- Creation of a knowledge transfer network and development of outreach capability.
- UHI Inverness Campus developed as an exemplar of Low Carbon methodologies.
- The schools curriculum could be used to encourage children to get their parents to lower their carbon footprint.
- Knowledge/skills/e-learning to be seen as a sales opportunity – need for leaders to understand this agenda and how it affects private, public and third sector organisations. It needs to become embedded into leadership and enterprise teaching/CPD and research.
- Green entrepreneurship teaching/thinking introduced into schools, FE/HE and CPD.

Recognition of low carbon economy activities

- Recognise the trend for workers valuing working for greener organisations.
- Recognise poor carbon performers. De-selection of poor carbon performing suppliers.
- Opportunities for suppliers that are lower carbon/carbon aware.

Community activity

- Learn from Communities across Scotland who are taking a lead.
- Exchange with the Transition movement, Transition Towns and areas (e.g. Transition Black Isle).
- Exchange with CAM Communities (fragile communities intensively supported by HIE to community action plan and implement).
- Value bottom up local solution development. Enable local solutions. Support culture change.
- Community share of wind turbine income.
- Community orchards.
- Waste food processing.
- Promote collaboration between communities.
- Support social Enterprise service providers (for Local Authorities).
- Get the basics right – a clarity of purpose all across all levels and sectors of our 'community' – and use case studies.

Recycling

- Better recognition of services provided by social enterprise.
- Offset for business waste recycling.

- Need some kind of land fill tax – need incentive for people to reduce and reduce – and for shops to consider packaging.
- Recycling is a key low carbon solution. In terms of reprocessing locally, measuring by quality not weight would help. There is significant employment potential.

Hydrogen systems (H_2)

- Recognise competitiveness for the Highlands and Islands.
- Hydrogen corridor project to demonstrate potential/viability.
- Government funded demonstration project at a regional level.
- Pick H_2 over electricity for vehicles in Highlands and Islands?
- Promote hybrid vessels.
- Power next generation of ferries (by 2030?) using H_2.
- Study Icelandic H_2 transport project for best practice.

Financial and Legal services

- Risk Management presents opportunities (arising from all sectors). New insurance products.
- Intellectual property rights.

Biomimicry

- Promote biomimicral businesses and the development of products which mimic biological systems, e.g. Velcro was developed from idea of seeds sticking to clothing. Life sciences already strong in H&I could take advantage.

Heating

- Our climate demands heating so therefore opportunities in the construction sector – producing low carbon housing – (low energy demand – space heating). Example Sweden has a zero space heating energy impact policy in its building regulations. Need to educate and drive for low heat demand solutions before contemplating alternatives on how to provide the reduced requirement.
- Building regulations need to intervene earlier to change behaviours and demand better insulated, natural heated spaces, requiring minimal energy input.
- More attention given to space heating using Scottish technologies!
- Think ahead to alternative heating solutions.
- Need to challenge way we do things; reintroduce concept of storage rather than 'on demand' heating systems. Would restrict/moderate amount that can be used. Gas central heating and combination boilers offer on demand heat and hot water without any thought to how much energy it takes and when you are using it.
- District heating scheme, campus development at SMO Gaelic College – supplying own electricity but in future might have possibility of supplying others. Slate community, in Skye, sell wood chips to fire after buying the local forest and running it as community business.

Retrofit will offer great opportunity

- Retrofit Scotland's old buildings – but use Scottish products.
- Lack of coherent information advice and guidance – Energy Savings Trust not specific enough for individuals wanting to make an impact on own home– very confusing and pitched at too technical a level. Need practical examples and single source of information for individuals and business. Perception hat green means ££££ but not necessarily so.
- Use case studies, for instance, 18th century farm-house renovated by John Lidderdale and reduced energy demand by 80% for £4000 and will get financial return within 2 years.
- Reduce the information, as people and businesses are overloaded. Carbon Trust and Energy Savings Trust needs rationalising. Why two bodies? HIE should take the lead for businesses.
- Need clarity and simplicity of message. Competing priorities and policy agendas.
- Reduce not create – SNH great building but sited so most employees have to use cars to get there.

Biomass /woodlands/timber Highlands and Islands natural local product

- Biomass only sustainable option when using natural wastage/coppicing becomes ridiculous if growing trees just to burn them – better to invest in Scottish timber for building rather than importing.

Electricity supply

- What about considering lowering expectation on quality of electricity supply – rather than ramping up use, demand and expectation that it will be available high quality at all times.
- Small-scale hydro river runner- for small scale or individual developments.
- Grid connections need to happen to allow energy developments and investments to actually happen. Too much talk and not enough being done to drive the fundamentals.

Investment infrastructure

- Need green investment – Scotland too small a player to get big investors/ financiers. Look at green assets or loans to develop. Akin to those being used in third world. Green loans. HIE low carbon network would be good if it did something practical like look at LC investment.
- A vision which gives Scotland an infrastructure from which everything else can develop. Private finance can only do so much on its own and needs to work in partnership with the public sector.
- Financial engineering – learn from good practice in Europe.

Employment

- Go back to basic principles – see what can be done locally – create jobs – e.g. GREAN – roadside recycling collection – everything collected has a market identified prior to adding to list. Collect with small trucks – will convert to biofuel and then collect old cooking oil to fuel them. Collect old bicycles then refurbish and sell them.
- Knowledge on what needs to be decarbonised and look at what technologies we have to do the job now or what we need to adapt and focus investment to accelerate delivery of knowledge into Scottish SME's.
- Travel reductions with good use of ICT not just in the H&I e.g. UHI but all public sector organisations to learn from H&I based organisations. Need for NGA to cope with new levels of data transfer.

- Driving down costs through energy efficiency. Make sustainable transport pilots a priority in remote and rural areas where transport carbon footprints are high. Transport solutions may be different for H&I to Urban. Trials in rural areas often translate to urban, but experience has demonstrated that it does not always work the other way round.
- Scotland well placed to grow these global markets in line with development of renewables and other clean technologies, e.g. algae/biofuels/ethanol/hydrogen.
- The connection between resource efficiency and energy to be made e.g. water – the general public don't realise H_2O biggest user of power. Promote knowledge on what other resources are scarce.
- The Carbon Chasm – the gap between targets and current reality – offers a big opportunity.

Public Sector support

- The Fossil Fuel Levy is a possible source of funds for infrastructure.
- Grid issues – current charges for transmission are a significant obstacle. Infrastructure investment is vital to release the potential.
- Carbon Trading – legislative and regulative chances are needed to make this more effective.
- There is a need for a Low Carbon investment fund to support emerging industries and technologies. Similarly an Investment Fund for FIT would help - banks have been reluctant so far.
- Support needed for innovative communities and organizations including Asset Transfers form the public sector. Climate Challenge Fund needs expanding.
- Improved planning system needed for small-scale community and household renewables. The removal of unhelpful planning barriers.
- Ensure that policy does not increase fuel poverty in Scotland.
- The public sector needs to specify 'green' in their procurement policy. Need for forward commitment procurement.
- Clear messages from Government will help to build market confidence to invest in 'green'. To illuminate agenda as a real opportunity!
- Decarbonise public sector business/operating plans to see what can be done – what can't drives R&D for next 10 years.
- Reduce complexity of legislation – incentive bring together aims and objectives.
- Develop a campaign which creates positive public attitudes towards resource efficiency and thinking green – almost as important as wearing a seatbelt. Decide on the top 10 things and communicate at all levels – local, UK, EU, internationally position Scotland/H&I.
- Need for policies not to conflict – internationalise business but don't travel – green wash!

How can we collaborate better to take advantages of LCE opportunities?

- Knowledge transfer network. Build on existing networks such as Highland Environment Forum, CES and others. Incentives for networking around community scale technologies.
- Use financial networks already in place – Blue Angels – do reinvent wheels. The Low Carbon Network is probably already there and just needs a little alignment.

- Create H&I Low Carbon Network on web. This needs to be promoted, accessible and inclusive.
- Use Highland Ward forums to spread good practice.
- Include private sector in the network.
- Establish a 'Chamber of Carbon Commerce'.
- Establish a Low Carbon Advisory Board, Chaired by First Minister.
- Do we need regional plans to contribute to the national one? Circumstances in the H&E are in particular different from many other parts of Scotland. How can we best contribute? What are the local opportunities and threats? Ideally each region's plan would have clear achievable purposes and targets.

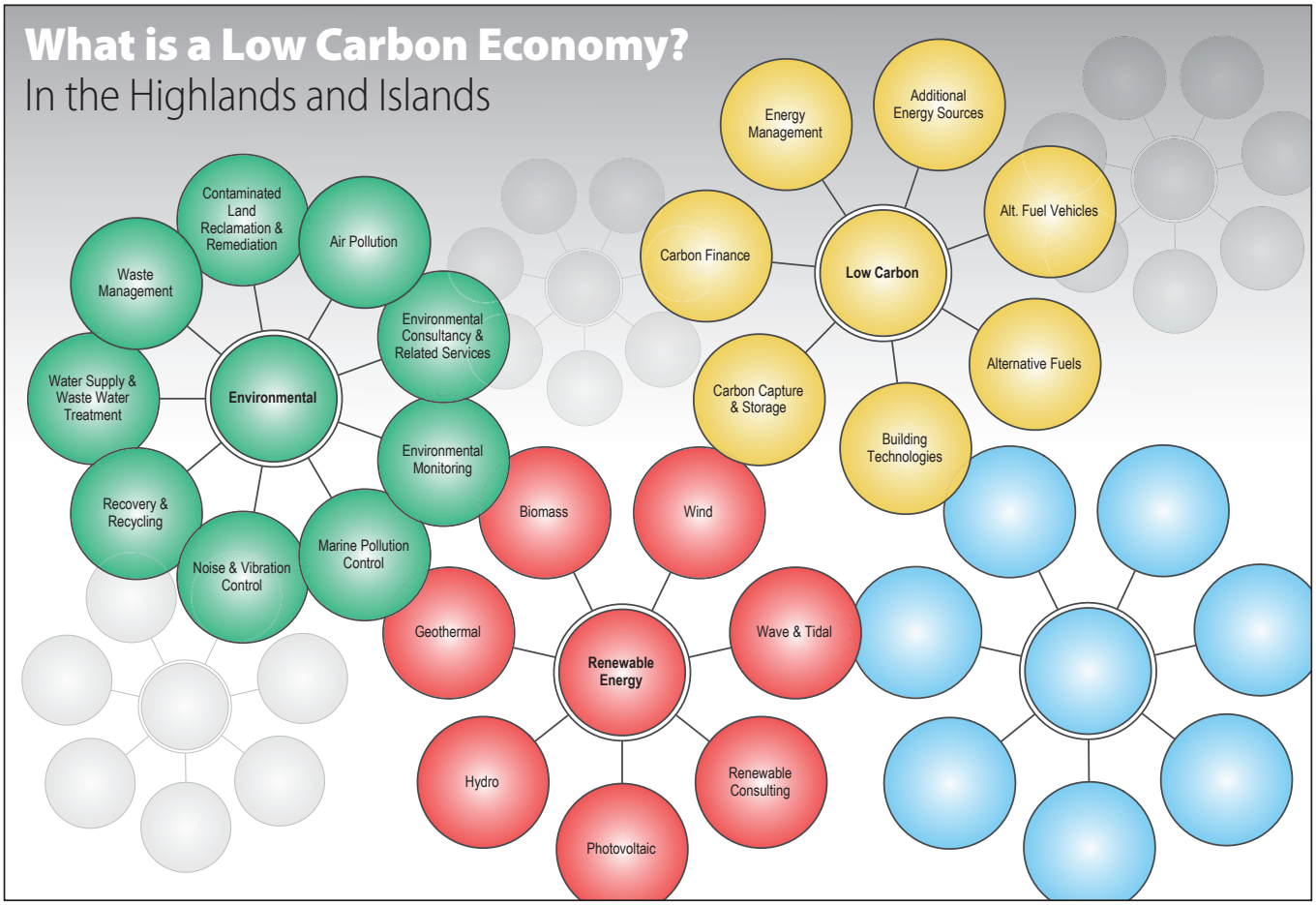
- In London there are "Green Mondays" – do we need similar awareness raising exercises?
- A more joined up strategy between partners is needed for training needs in particular and for a wider low carbon agenda than just energy.
- Recognise that there is great confusion and develop clarity. Use simple language (plain English) to explain.
- Look at the progress in other countries – e.g. Canada. Have events around real opportunities not pie in the sky. For example, the Nova Scotia tidal turbine focussed event resulted in opportunities and networks.
- Use the existing KTN to better effect. Already, many organisations are doing the same thing. There is a need for joining up and a single point of information which is relevant to regions.
- Look at Denmark's distributed energy plans, including community generation and heating systems.
- Build on already very strong community ownership of the environmental issues and desire to contribute.

How can we increase the level of skills, investment and innovation?

- One of the difficulties at present is that "Low Carbon" is perceived as "Low Wage" especially in comparison to the oil industry, which seeks many of the same skills. There is also a shortage of engineering skills in particular and of young scientists in general emerging from the schools system. The Curriculum for Excellence offers a big opportunity to change this if implemented effectively.
- Levy of 1% of all on and offshore wind farms to invest on skills and innovation. Crown Estate invest also, from its gains. Don't rip us off again!
- Energy optimisation. Evolved energy (small), e.g. Isle of Eigg.
- Make connections with the Renewable Energy & Energy Efficiency Partnership (REEP), a non-profit, specialist change agent aiming to catalyse the market for renewable energy and energy efficiency, with a primary focus on emerging markets and developing countries. What could we learn from our region.
- Zero VAT for retrofit for carbon reduction.
- UK Treasury influence through Danny Alexander?
- Grants for less advantaged/elderly for carbon reducing activity.
- Influence national and EU electricity generation and distribution policy and work for a more accessible grid.

Research procurement

- Think for good, not just self-interest.
- Do not focus only on communities, recognise that business is closer to practical applications.
- Encourage open mindedness, product focused outcomes.
- Promote central body and admin assistance.
- Simplify the procurement process and admin process.
- Expand remit, as not just energy. How many tourism projects, for instance?
- Research and develop community scale opportunities.
- UHI in particular has a potentially important role given that much of the investment will be in and offshore from the HIE area.
- Dundee University and UHI are good examples of incubating businesses for this new economy. There is a need to get more case studies communicated. There is a need to get businesses and university knowledge transfer platforms working more effectively. Knowledge transfer needs resourcing so that universities do more applied research activity, i.e. get better value from £1.8Bn invested in knowledge.
- Work very closely with businesses in emerging technologies areas ensuring fast response to skills needs. Be ready to orchestrate what needs to be done to validate labour market info and stream-line funding.



Transition Black Isle – further comments from the World Café at HIE, 18 June 2010

Key points:

- Promote the expansion of community initiatives for sustainable, low carbon living
- Ensure income from renewable energy projects flows to communities to support sustainability
- Establish a low carbon network in Scotland
- Continue to support the Climate Challenge Fund to enable community initiatives to thrive

The Highlands have significant additional opportunities to contribute to a low carbon economy, which offer the greatest economic potential regionally, nationally and globally.

From the Transition movement's perspective what we have to offer in the Highlands is co-operation at the community level to find solutions to problems. In particular the unique community initiatives on islands like Eigg and Gigha are showcases of what can be done when a small group of people work together to find solutions. This sort of grass roots development could expand throughout many areas in Scotland to the genuine benefit of not only the low carbon economy but also the communities themselves, building trust, co-operation and a sense of belonging.

In a really co-operative community resources can be reduced – no need for every household to have a car, lawn mower, tractor, or whatever. Pooling valuable resources will become a necessity in due course and the Highlands can show the way in examples like Eigg.

At the national scale, Scotland is very well placed to lead the way in wave, tidal and wind power and every opportunity should be sought to ensure the benefits accrued go to the local population to further enhance their sustainability.

How can we collaborate better to take advantages of low carbon economy opportunities? Should there be a low carbon network?

One of the key components of the Transition Movement is collaboration with others and sharing of ideas. Transition Black Isle believes there could be a benefit in a low carbon network being established in Scotland so that innovative ideas are shared.

Although much of the discussions at the seminar revolved around larger corporations and businesses, it must not be forgotten that the population at large will have to make substantial changes over the coming decades and grass roots movements like ours will be vital to engage and support local people in making that change. Those on low incomes will be the most vulnerable and in need of most support, but all sectors of the community will have to learn to collaborate effectively to become more sustainable. Communities are much more prepared to make changes if they initiate them themselves rather than being coerced from authorities above, and Transition Black Isle works at that level encouraging local people to get together to find solutions to their own sustainability issues.

How can we increase the level of innovation, investment and skills?

Transition Black Isle has already shown how much interest there is at a community level in issues around climate change and a low carbon economy by the number attending their events – probably close to 1000 people on a peninsular of only 9000 have come to our various events in the last year. Without resources from the Climate Challenge Fund much of this would not have been feasible, so investment in continuing grass roots initiatives would be essential.

Given the right investment and support, local people working together can be very innovative in finding solutions – great ideas don't necessarily always come from large organisations. In the Highlands we still have many traditional skills, such as basket weaving, dry stone dyking etc which could be invaluable in a more low carbon economy. Investment in any initiatives to retain these skills would be beneficial.

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Programme Schedule

18 June 2010, Cowan House, Inverness

Presentation	Speaker	Time
Arrival & Refreshments		10:30 - 11:00
Welcome	William Roe, Chairman, HIE	11:00 - 11:07
Towards a Low Carbon Economy – Opening Address	John Swinney, MSP, Cabinet Secretary, Finance & Sustainable Growth, Scottish Government Recorded Message	11:07 - 11:15
Towards a Low Carbon Economy – Opportunities and Delivery	Colin Imrie, Deputy Director, Energy Markets Division, Scottish Government	11:15 - 11:30
The Highlands unique contribution towards a Low Carbon Scottish Economy	William Roe, Chairman, HIE	11:30 - 11:45
Significant additional opportunities? Which offer the greatest economic potential regionally, nationally and globally? Priorities over next 5 years?	First round of questions	11:45 - 12:05
How can we collaborate better to take advantages of low carbon economy opportunities? Low Carbon Network? Organisation specific role?	Second round of questions	12:05 - 12:25
Reporting back	Facilitators: Neil Ross, Diane Duncan, Kathleen Robertson, Alex Walker	12:25 - 12:40
Vision, Drivers of a Low Carbon Scottish Economy	Lunch	12:40 - 13:10
How can we increase the level of innovation, investment and skills?	Final round of questions	13:10 - 13:30
Reporting back	Facilitators: Neil Ross, Diane Duncan, Kathleen Robertson, Alex Walker	13:30 - 13:50
Way Forward and Closure	William Roe, Chairman, HIE	13:50 - 14:00

Participants List

18 June 2010, Cowan House, Inverness

Name	Position	Organisation
Scott Armstrong	Regional Director	VisitScotland
Sonya Bhonsle	Senior Account Manager , Public Procurement	Carbon Disclosure Project
Stuart Black	Director of Planning and Development	The Highland Council
Rona Campbell	Assistant Director	CBI Scotland
Calum Davidson	Head – Key Sectors	HIE
Diane Duncan	Head of Regional Infrastructure	HIE
May East	Director	CIFAL Findhorn
Vanessa Halhead	Vice Convener	Transition Black Isle
Colin Imrie	Deputy Director, Energy Markets Division	Scottish Government
John Lidderdale	Managing Director	Logan Energy
Duncan MacInnes	Vice-Chairman	Sleat Community Trust
Dennis Malone	Chief Executive	Highlands and Islands Partnership Programme
John McClatchey	Senior Research Fellow	Environmental Research Institute
Gordon McDonald	Councillor	Moray Council
Fergus Morrison	Company Consultant	GREAN
Alex Paterson	Director	HIE
Wendy Price	Convener	Transition Black Isle
Kathleen Robertson	Policy Team Leader	Scottish Government
William Roe	Chair	HIE
Neil Ross	Head of Community Growth Team	HIE
Michael Shaw	Partner	Ecovillage International LLP
Alex Walker	Chairman	DTA Scotland
Steve Walker	Managing Director	Stagecoach in the Highlands
Wayne Ward	Commercial Director	BRE

Mr Dennis Malone
Chief Executive
Highlands and Islands Partnership Programme
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10 June 2010

Dear Mr Malone

Towards a Low Carbon Economy for Scotland

Inviting Response to the Scottish Government Discussion Paper

18 June 2010 11:00am – 2:00pm

Cowan House, Inverness Business and Retail Park, Inverness

"Today we face what could be a profound and all-encompassing period of change affecting Scotland: a 21st Century transformation comparable to the industrial revolution of the 18th and 19th Centuries. The economic, social, institutional and technological 'reform' necessary in this transition to a low carbon way of life is enormous, is truly global in nature and yet we have no clear route map to follow, nor model to adopt." **(Towards a Low Carbon Economy for Scotland- Scottish Government)**

Highlands and Islands Enterprise in partnership with United Nations Institute for Training and Research Associated Center CIFAL Findhorn and the Scottish Government are pleased to invite you to join **Towards a Low Carbon Economy for Scotland** consultation seminar to formally input into the discussion paper.

In March 2010 the Scottish Government launched **Towards a Low Carbon Economy for Scotland** Discussion Paper, which sets out a range of issues that need to be considered in preparing a comprehensive strategy shaping a low carbon economy in Scotland. The document highlights the far-reaching implications of the package of measures required to achieve Scotland's emission reduction targets and the transition to a low carbon economy. It summarises Scotland's competitive positioning in relation to becoming a low carbon economy and promotes the discussion about the priorities and approaches for collectively stimulating low carbon economic growth.

Towards a Low Carbon Economy for Scotland will

- Provide an opportunity for you to formally contribute to the discussion paper, which identifies the key dimensions and timeframe of a transition strategy towards a low carbon economy.
- Profile ways in which Scotland can take pole position in the drive to secure the economic benefits of greener business.
- Promote discussion on the possibility of a **Highlands and Islands Low Carbon Network** to function as a network for information exchange and sharing of practical experiences, making the best available knowledge on regional carbon neutrality widely available to all.

SAMPLE

Using the World Café conversational process the following questions will be considered

1. Does this document sufficiently communicate the vision, drivers and implications of a low carbon Scottish economy?

2. The document identifies a range of low carbon economic opportunities based on Scotland's key strengths and opportunities and aligned with growing global market opportunities and domestic regulatory and legislative drivers. Are there significant additional opportunities that should be addressed by the Low Carbon Strategy? In the light of the Government's objective of accelerating Scotland's rates of productivity and economic growth, which are the opportunities of greatest economic potential within a global context? Which opportunities should we focus on in the short to medium term?

3. How should the Scottish Government and wider public sector join up to best support business to exploit low carbon opportunities?

4. Building on a recent National Economic Forum discussion, how should the Scottish Government, in partnership with the wider public sector, research base and investment community, help increase the level of innovation, investment and skills support to match the scale of opportunity in low carbon markets?

5. How should the Scottish Government and its partners coordinate their activities to ensure that innovation, investment and skills support is aligned effectively?

Local Authority representatives, Policymakers and Regulators, Development Officers, Research Institutions, Higher Education and Learning Centres, Private Industry, Community Businesses, Community Planning Officers and Social and Economic Development Officers are all invited to input and work together to stimulate a low carbon economic growth in the Highlands.

Please find below the links to the Scottish Government consultation papers Transition to a Low Carbon Economy
http://www.scotland.gov.uk/Resource/Doc/307022/0096528.pdf
http://www.scotland.gov.uk/Resource/Doc/307112/0096539.pdf

As spaces are limited and we expect great interest in the subject, we would kindly ask you to confirm your attendance through this link
https://www.findhorn.org/cifal_lowcarbon_inverness_june2010.php by 16 June 2010.

Yours sincerely,

May East

May East
Director
CIFAL Findhorn

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