



Just Transition Platform – Policy approach:

SCOTLAND'S APPROACH TO ENSURE A COORDINATED, INCLUSIVE JUST TRANSITION

Scotland

This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website: https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en

Total budget (in €):

The Just Transition Commission (JTC) operates with a yearly budget of GBP 250 000 which covers everything except the staffing costs of the secretariat (e.g. the fees for Commissioners, research, logistics leading up to meetings, etc.). The funds are rendered available exclusively by the Scottish Government.

Region:

Scotland

Sector:

Several sectors

Financing conditions (co-financing rate in %):

n/a

Sources of funding:

Scottish Government

EU funding:

n/a

National funding:

GBP 250 000

Regional funding:

n/a

Duration:

2019 – (ongoing as of 2023)

Responsible Managing Authority/Agency:

The Commission was set up as a non-statutory body by the Scottish Government but operates as an independent entity.

Summary

The first JTC was appointed by the Scottish Government in 2019, after mobilisation from civil society calling for efforts of the Government in just transition planning. This first iteration of the JTC produced 24 recommendations, arranged into sub-themes, to steer a just transition. These recommendations covered both sector-specific and cross-cutting topics and were accepted in toto by the Government. After parliamentary elections in 2021, the Commission was re-established with a renewed and expanded remit, namely that of providing scrutiny and advice on the development of sectoral just transition plans, which are spearheaded by the Scottish Government. The current Commission gathers 16 members: it includes researchers and members of academia, environmental

activists, but also representatives of trade unions and industry. This ensures the representation of a wide range of interests and the possibility to cover all the social implications of the strive for a net-zero economy. The consultations of the Commission are at an early stage, but it is expected that its recommendations will be embedded in four critical sectoral transition plans by the end of the year. These are supposed to accompany the country through the next decades and lead Scotland to the achievement of its ambitious net-zero goal by 2045. For now, the preliminary thinking of the Commission concerning the most pressing issues ahead can be found in its initial report (see sources).

Type of policy measure/activities:

The JTC is an independent advisory body. Specifically, the remit it was given by the Scottish Government encompasses the following activities. First, overarchingly, to assist the Government in the production of key just transition plans by providing scrutiny and advice. The Government is in the process of drafting 'skeleton' plans, upon which the Commission can build and improve by providing specific recommendations or by pressing officials for more actionable commitments. At the moment of writing, the plans concerning energy, agriculture and land use, building and construction, and transport are in the pipeline. Second, to aid in the monitoring of the enforcement of these plans and the outcomes they produce. The expertise of the Commissioners and the teams that supports them will be used to scout the data landscape for readily available indicators that can supervise progress, but also to orient data collection efforts in the near future. Finally, the Commission is tasked to undertake meaningful engagement with local communities, especially the ones that stand to lose the most from a transition to net-zero. This is done through a series of open town hall meetings where citizens and stakeholders can voice their concerns.

Goals and approach:

The JTC aims to ensure that the Government's action is effective in meeting the emission reduction targets. It is important to note how the ambition of the targets was not to set by the Commission, but by the Government itself through an act of political will. The goal of the JTC is that of guaranteeing that the transition to a net-zero economy is achieved in collaboration with the affected communities, so as to mitigate the possible social tensions and risks involved. The Commission thus serves an advisory function, and its recommendations build on insights generated at the local level.

Important outputs, results or achievements:

At a strategic level, the Commission was effective in putting the institutional machinery needed for a just transition in place. As a direct consequence of the Commission's engagement, the Scottish Government introduced its just transition planning framework, evidence-based and reliant on co-design, extensive engagement with stakeholders and a place-based approach. The Commission was also effective in defining the scope of the just transition, reinforcing the notion for which de-carbonisation is an economy-wide phenomenon, and just transition planning should not concern itself solely with high-emitting industries. Finally, the reiterated and honest interactions between the Commission and the Scottish Government led to a detailed understanding of the way the Commission can input to

the policymaking cycle and what is expected in terms of Government's engagement. Operationally, more tangible results can be observed. By the end of 2023, the key sectoral just transition plans that should guide emissions abatement from here to 2045 in the fields of energy, agriculture and land use, building and construction, and transport will be in place. In April 2023, the Commission also provided detailed advice to the Scottish Government draft Energy Strategy and Just Transition Plan. At an even finer grain, one can take the substantial funds put in place for environmental regeneration and re-training of workers in the north-east of Scotland as a direct response to the Commission's recommendations.

Scalability¹ and transferability²:

While the experience of the JTC could be replicated elsewhere, one should be careful not to over-learn lessons. Indeed, the high-level takeaways should be embraced by other member states seeking to set up a similar independent advisory body. For example, the JTC's mode of governance and operations, based on the representation of various social interests and independent counselling to the Government, feature as success factors worth replicating. But the specific recommendations embedded in the plans should be grounded in an understanding of the context in which they are to be implemented. The peculiarities of Scotland, such

as its rich reserves of oil and natural gas in the North Sea or the sub-optimal condition of the housing stock, are exactly the type of challenges that should inform pragmatic planning. Arguably, it is also the case that governing a just transition is easier at smaller scale. Scotland accounts for a population of 5.5 million dispersed in an area of around 80 000 km². Still, it was possible for the Commission to hold regular meetings in the areas which are most likely to be affected by the transition and address directly the local communities. In larger countries – or indeed in the EU as a whole – this may pose considerable difficulties.

1 Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

2 Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Key success factors and lessons learnt:

The success of the JTC in aiding Scotland to achieve its net-zero goals remains to be seen, however, some lessons can already be drawn. First, the Commission proved how a broad understanding – and more importantly, a shared understanding – of what a just transition entails, is required to take meaningful action.

Second, the Commission proved to have an effective governance structure. The key takeaways with this respect are the independence from Government and the representation of many, diverse social interest groups. Third, stakeholder engagement at a very fine grain allowed to uncover local opportunities and grievances, and to build consensus on the required actions. Finally, the experience with the review and scrutiny of the draft sectoral plans proposed by the Scottish Government revealed the importance of taking a pragmatic, detail-oriented approach, and to move away from aspirational planning.

Key challenges:

One of the key challenges that needed overcoming was to get Government to engage more extensively with the Commission and granting them a more proactive stance. This was largely resolved and a memorandum of understanding between the Commission and the Government (see sources) now clearly define the active role the former is supposed to perform. From an operational perspective, the Commission has highlighted the need of pragmatic as opposed to aspirational planning, as appeared to be the case for the initial sectoral just transition plans offered up by the Government. With this respect, a serious challenge going forward concerns the production of the key sectoral just transition plans for energy and for agriculture and land use (expected by the end of the year), which are highly sensitive and complex topics in Scotland.

Central framework conditions³:

Scotland is an energy-rich country, and its history of transition started already as far back as the 1980s with the phasing out of coal, largely motivated by increased competition from cheaper fossil fuels. At the time, the de-industrialisation was carried out in a top-down manner, without the consent or engagement of the workers that would be affected. Mining communities faced loss of employment, economic instability, and the erosion of social fabric, the scars of which persist to this day. This negative experience is likely at the base of current just transition efforts, which aim to manage the

structural adjustment of the economy to a carbon-free world while improving people's well-being. From a sectoral perspective, substantial funds have been put in place to aid the workers employed in the declining oil and natural gas industry, which is very mature in the North. At a high political level, the Scottish Government is one of the most ambitious advanced nations in the world for what concerns climate objectives, having set legally binding goals of reaching net-zero by 2045 through the Climate Change Act of 2019.

Outlook:

While the Commission is set to dissolve in 2026 with the next parliamentary elections, it is arguable that the political will exists for a third iteration. Indeed, the ambition of Scotland's objectives, the realisation of how difficult and demanding the required changes are, and the historical experience with an unjust de-industrialisation phase still resonate with the public and the political class. The remit for this third iteration of the Commission could shift slightly. Since the sectoral just transition plans should be in place by then, the JTC could focus its efforts and expertise on monitoring and risk assessment activities (i.e. more in line with the operations of the Intergovernmental Panel on Climate Change). Another future development that is worth mentioning is the launching of a website to report and publicise the workings of the Commission, helping in the advocacy aspect of its operations.

³ Framework conditions encompass the institutional, informational and socio-economic factors that determine a given environment (contextual information), e.g. market conditions, access to finance, tax regulation, infrastructure and support.

Partners & contacts:

JTC secretariat

Website / social media:

<https://www.gov.scot/groups/just-transition-commission/>

<https://twitter.com/jtcsotland>

Sources:

Interview with Mr. Elliot Ross, Head of the JTC's Secretariat, 12 May 2023.

Interview with Prof. James Skea, chair of the Just Transition 4 May 2023.

Just Transition Commission (2022–2023): Letter exchanges between the Commission and the Scottish Government. Available at: <https://www.gov.scot/groups/just-transition-commission/>

Just Transition Commission (2022–2023): Minutes from meetings. Available at: <https://www.gov.scot/groups/just-transition-commission/>

Just Transition Commission (2022): Making the future - Initial report of the 2nd Just Transition Commission. Available at: <https://www.gov.scot/publications/making-future-initial-report-2nd-transition-commission/#:~:text=This%20report%20sets%20out%20our,the%20big%20issues%20facing%20us.>

Scottish Government (2019): Scotland to become a net-zero society. Available at: <https://www.gov.scot/news/scotland-to-become-a-net-zero-society/>

Scottish Government (2021): Just Transition – A Fairer, Greener Scotland. Available at: <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/09/transition-fairer-greener-scotland/documents/transition-fairer-greener-scotland/transition-fairer-greener-scotland/govscot%3Adocument/transition-fairer-greener-scotland.pdf>

Scottish Government (2023), Just Transition Commission – letter to Cabinet Secretaries (providing further advice on the draft Energy Strategy). Available at: <https://www.gov.scot/publications/just-transition-commission-letter-to-cabinet-secretaries-14-april-2023/>

Scottish Government (2022): Overview of the Just Transition Commission. Available at: <https://www.gov.scot/groups/just-transition-commission/>

Scottish Government (2023): Just Transition Commission – Member biographies. Available at: <https://www.gov.scot/publications/just-transition-commission-member-biographies/>

Scottish Government (2023): Just Transition Commission and the Scottish Government - Memorandum of understanding. Available at: <https://www.gov.scot/publications/just-transition-commission-and-the-scottish-Government-memorandum-of-understanding/>

The Climate Group (2021): Richard Lochhead – A global effort to achieve a just transition to net zero. Available at: <https://www.theclimategroup.org/our-work/news/richard-lochhead-global-effort-achieve-just-transition-net-zero>

This document was prepared by researchers at Prognos AG having conducted desk research, interviews and surveys. Any information and views contained in the present document do not reflect the official opinion of the European Commission. Reuse is authorised provided the source is acknowledged.