

ECONOMY AND FAIR WORK COMMITTEE

**1st Meeting, 2024 (Session 6), Wednesday
10 January 2024**

Just Transition for the North East and Moray

Note by the Clerk

Background

1. There is currently a target of 2045 for Scotland to cut greenhouse gas emissions to net zero. This is when the amount of emissions going into the atmosphere, less the amount coming out, adds up to zero.
2. Industry is the second highest emitting sector in Scotland after transport and the Scottish Government aims to reduce these emissions by around a third by 2030 (from a 1990 baseline).
3. The Scottish Government has committed to achieving a “just transition” to net zero. The Just Transition Commission has defined this as where—

“Governments design policies in a way that ensures the benefits of climate change action are shared widely, while the costs do not unfairly burden those least able to pay, or whose livelihoods are directly or indirectly at risk as the economy shifts and changes.”

4. The first part of the Committee’s work concluded last summer and focussed on the Grangemouth area. [The Committee’s report can be found online](#). The second part of this work has been focussed on the North East and Moray.

The North East and Moray

5. Industry accounts for 25.5% of all emissions across the North East and Moray. These industries, however, also generate significant economic activity, supporting around 65,000 jobs in the area and accounting for around 9% of Scotland’s GDP. To support a Just Transition in the region, [the Scottish Government established a 10-year, £500 million Just Transition Fund](#) to—

“accelerate the energy transition in Aberdeen and the North East, and establish the region as a world-leader in the transition to a net zero economy”.

Inquiry Remit

6. The inquiry has been considering—
 - what support is needed to maximise the benefits of the transition for the community;
 - how the Just Transition Fund is working and whether it is achieving its aims;
 - the outlook for jobs and skills; and
 - how innovation can be supported to maintain Scotland’s place as a leader in the energy sector.

Call for Views

7. The Committee’s call for views ran from 29 June to 26 September, written responses [can be accessed online](#).

Today’s Witnesses

8. This is the final evidence session. The Committee will hear from—
 - Richard Lochhead, Minister for Small Business, Innovation, Tourism and Trade; and
 - Catriona Laing, Deputy Director for Climate Change, Scottish Government.

**Economy and Fair Work Committee Clerks
5 January 2024**