

ECONOMY AND FAIR WORK COMMITTEE

**29th Meeting, 2023 (Session 6), Wednesday
22 November 2023**

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 Committee is considering how this transition can supported, incentivised and de-risked in a way that benefits both companies and individuals. The first part of this work concluded in June and focussed on the Grangemouth area. [The Committee's report can be found online.](#)
5. The second part of this work will focus on the North East and Moray.

The North East and Moray

6. 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.

7. To support a Just Transition in the region, [the Scottish Government established a 10-year, £500 million Just Transition Fund](#) which aims 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”.

Remit

8. The inquiry will consider—

- 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

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

Witnesses

10. The Committee will hear evidence from two witnesses panels—

- Duncan Cameron, Managing Director, First Bus Scotland;
- Mike Duncan, North East Scotland Development Manager, FSB North East Scotland; and
- Jordan Jack, General Secretary, Campaign for North East Rail.

And then from—

- Mark Munro, Chief Investment Officer, Scottish National Investment Bank;
- Fergus Mutch, Policy Advisor, Aberdeen and Grampian Chamber of Commerce; and
- Ronan O’Hara, Chief Executive, Crown Estate Scotland.

11. Ahead of today’s evidence session written views were received from—

- [Aberdeen & Grampian Chamber of Commerce](#)
- [Crown Estate Scotland](#)
- [Scottish National Investment Bank](#)

**Economy and Fair Work Committee Clerks
17 November 2023**