



Respondent Information Form

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:

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Are you responding as an individual or an organisation?

- Individual
 Organisation

Full name or organisation's name

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The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
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Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

- Yes
 No

Question 1

What are your views on the vision set out for 2030 and 2045? Are there any changes you think should be made?

Please give us your views.

The energy strategy document focuses on energy generation and decarbonisation of energy sources. Whilst this is very important, there is very little detail on how the Scottish Government will support industry.

Food and Drink manufacturing is the largest manufacturing industry in Scotland and comprises of 97% SMEs. Additionally, food and drink is a vital part of our critical national infrastructure and our sector's resilience is paramount to ensuring we can feed our nation.

With this in mind, the strategy should be applicable to Scotland's food and drink manufacturers of all sizes.

FDF members continue to reduce their CO₂ emissions – in 2021 down 58% since 1990¹ Over the last few decades, food and drink manufacturers have achieved this by implementing energy efficiency measures and investing in renewable energy generation. Most manufacturers already invested in low cost energy efficiency solutions e.g. LED lights, voltage optimisation, process heat recovery etc.

We set out below some points for the Scottish Government to consider when finalising the strategy that would support Scotland's food and drink manufacturers:

- **Available capital:** Food and Drink manufacturers margins are extremely tight, (the profit benchmark of the food industry is 4.6% net). For a small producer to pay for e.g. solar panels to partially deliver their electricity demand they would need to generate millions of pounds of sales to cover this cost.
- **Size** - The Scottish Government has identified the food and drink sector as an energy intensive industry (EII). 95% of food and drink manufacturers in Scotland are either small or medium-sized businesses. To decarbonise energy in food and drink production, many small-scale interventions will be needed. We understand this is not the case for most of the other sectors identified as EII where there are a few very large companies e.g. oil and gas, paper and pulp.
- **Simplify the public sector support landscape** – over the years there have been many attempts to create “one-stop-shops” for business energy support but there are still many agencies offering similar support and funding
- **De-fragment the government departments** that are responsible for business energy and industrial decarbonisation – Energy Intensive Industries, Circular Economy, Climate Change, Net Zero and Just Transition departments need to be better joined up

Chapter 2 - Preparing for a just energy transition

Chapter 3 Energy supply - Scaling up renewable energy

Question 17

Do you think there are any actions required from Scottish Government to support or steer the appropriate development of bioenergy?

Please give us your views.

The first question that should be asked is should the Scottish Government be looking at bioenergy – is this the right thing to do and can the Government ensure that any bioenergy strategy does not come at the expense of food and drink production.

Question 18

What are the key areas for consideration that the Scottish Government should take into account in the development of a Bioenergy Action Plan?

Please give us your views.

See answer to question 18.

Chapter 4 Energy demand - Heat in buildings

Question 27

What further government action is needed to drive energy efficiency and zero emissions heat deployment across Scotland?

Please give us your views.

The strategy should include process heat as well as space heating. FDF produced the following report which sets out how the food and drink sector, governments and partners can do.

<https://www.fdf.org.uk/globalassets/resources/publications/fdf-slr-report-decarbonising-heat-to-net-zero.pdf>

Chapter 4 Energy demand - Energy for industry

Question 37

Our net zero roadmap sets out food and drink manufacturers can remove emissions from our industry

https://www.fdf.org.uk/globalassets/resources/publications/guidance/compressed_fdf-net-zero-handbook-final-111021.pdf pages 33-44 focus in on energy.

In addition, there is a need for the government to target support for businesses around implementation of energy advice rather than offering audits.

Several businesses the FDF engages with have told us that they have had many energy-related audits carried out by both public sector agencies and consultants “sitting on their shelves” where recommendations have been made but not implemented. Businesses have told us about problems accessing implementation funds because the public sector support organisation has insisted on “their auditors” going in to appraisal/audits before any implementation support is forthcoming despite having had previous audits carried out.

Example: A food manufacturer in Glasgow scoped solar panels for their site. The capital cost of the project was a major investment for them and did not have the capital. They got in touch with Zero Waste Scotland regarding the SME interest free loan. They were told it was possible, but first they would need an energy review by one of their advisors, and none of those advisors were currently doing site visits (budget issues), meaning they were unable to apply for this loan.

How can the Scottish Government and industry best work together to remove emissions from industry in Scotland?

Chapter 5 Creating the conditions for a net zero energy system

Question 40

What additional action could the Scottish Government or UK Government take to support security of supply in a net zero energy system?

Please give us your views.

Grid connections are a costly and lengthy challenge to adding more renewable capacity to the energy mix. Anything the UK or Scottish Government can do to make this cheaper and quicker for businesses will help to decarbonise our energy mix quickly.

Chapter 6 Route map to 2045

Question 50

Do you have any views on appropriate indicators and relevant data sources to measure progress towards, and success of, these outcomes?

Please explain your views.

We would urge the Scottish Government to look for data that is already being gathered/measured by industry to avoid additional reporting requirements.

There are many intermediary organisations that will be collating sector level data for decarbonisation and net zero. The Scottish Government should engage with these organisations (including the [Scotland Food and Drink Net Zero Partnership](#))