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Aviation Statement and Key Priorities

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Ministerial foreword

This Aviation Statement sets out, for the first time, the strategic importance of aviation to Scotland and the specific actions the Scottish Government will take to help ensure we can continue to enjoy its many benefits while significantly reducing its emissions in line with our net zero ambitions.

The Statement has been fully informed by the responses provided to our earlier [public consultation](#) and I thank everyone who took part in that process. There have been many positive developments since our consultation closed and this report also serves to showcase both the recent improvements in Scotland's international connectivity and the sector's ongoing efforts to decarbonise flying. I expect this to stimulate a more positive and constructive conversation about aviation and how best to harness the economic, social and cultural benefits it provides.

There are limitations on Scottish Ministers' powers to support even greater progress, because aviation is largely a reserved matter and Scotland is one part of what is a global and highly interconnected aviation network. Further, the UK Government's '[Jet Zero strategy](#)' for aviation decarbonisation – which was published after our own consultation concluded – applies throughout the UK and influences the policy choices the Scottish Government can make.

Given this context, our Aviation Statement focusses on specific actions where we can make a meaningful contribution to growing Scotland's international connectivity, securing lifeline services in the Highlands and Islands and contributing to international efforts to decarbonise aviation. The reserved nature of aviation means that we will continue to influence the UK Government so that Scotland can benefit fully from the Jet Zero strategy including by delivering our target for domestic flights to reach net zero by 2040.

Achieving the outcomes in the Statement will mean being fully joined up with other Scottish Government policies that encourage sustainable economic growth and deliver our commitment to net zero emissions by 2045. In particular, our commitments on aviation must support delivery of relevant actions in the [Islands Connectivity Plan draft Strategic Approach](#) and the [Scottish Government's International Strategy](#). The Scottish Government Climate Change Plan and Transport Just Transition Plan may also contain further actions relating to aviation, particularly on sustainable aviation fuel. This Statement therefore sets out an approach that is flexible enough to respond to any such developments.

Growing connectivity while reducing emissions is primarily the responsibility of the aviation sector, but the Scottish Government must play a strong supporting role. In

doing so, all of the actions described in this Statement will be informed by our new vision for aviation:

“To help Scotland be at least as well-connected as leading peer regions and nations while reducing the environmental impact of aviation, so that we can enjoy the economic and social benefits of air travel and support a just transition to our net-zero by 2045 target.”

The outcomes in this Statement will only be achieved if we work effectively with airlines, airports, unions and other interested groups, and I therefore look forward to ongoing engagement with the sector to make our vision a reality.



Jim Fairlie MSP, Minister for Agriculture and Connectivity

The Context for the Aviation Statement

The Scottish Government's [consultation document](#) on developing an aviation strategy described policy responsibilities at a local, national and international level, and contained a detailed explanation of the importance of aviation to Scotland. It set out our legal and policy commitments on connectivity and emissions, which form the basis for the sections below. The consultation document also asked a series of questions about growing Scotland's international connectivity; the transition to low and zero-emission aviation; domestic connectivity; and airfreight.

This Aviation Statement builds on the content of the consultation document and does not repeat previous material. The two documents should therefore be read in conjunction.

Fundamentally, Scotland's geographical location means that air services are essential for securing our place in the world by providing international and domestic connectivity. Strong international connections enable a flow of trade, investment, labour and visitors to Scotland, all of which benefit the Scottish economy as a whole.

Good domestic connectivity provides similar advantages at a local level. It also ensures the operation of essential routes between rural and island communities and the mainland; routes within those communities; and other domestic routes where rail does not yet provide the ability to do a day's business and return the same day.

The Scottish Government's policies are designed to encourage these benefits and to ensure they can be enjoyed by communities across the country. We do this by supporting international route development; directly and indirectly subsidising air travel in the Highlands and Islands; funding Highlands and Islands Airports Limited (HIAL) to operate 11 airports across Scotland; and, by helping to drive the transformation to net zero aviation. We also maintain a watching brief on major developments in the aviation sector in Scotland, including any possible changes in airline or airport ownership, to determine whether our policy interests may be affected.

A particularly welcome development since we launched our consultation is that the aviation sector's efforts have, in general, led to a positive recovery from the impact of Covid, although significant challenges remain. Tangible progress has also been made in decarbonising aviation. These improvements are described below, followed by the specific actions the Scottish Government will take to encourage further progress.

Strong connectivity

The [independent analysis](#) of the responses to our consultation noted support for improving international connectivity as a means of delivering inclusive economic growth.

The consultation document provided concrete examples of the economic benefits of aviation to Scotland. For example, pre-Covid air transport was responsible for 0.3% of Scottish gross value added, around £400m, with an output of £2.5 billion or 0.6% of total output (as about half is used as an input to other sectors). Further, research conducted by Edinburgh Napier University identified air links as the most influential transport factor in the location decisions of most overseas-based businesses investing in the UK. 6,438 jobs in Scotland were announced by foreign direct investment projects during 2019 and Scotland's international exports (excluding oil and gas) were worth £33.8 billion in 2018.

Delivering excellent international connectivity for Scotland is the primary responsibility of the aviation sector, and involves airlines and airports working in partnership on a commercial basis. Despite the unprecedented disruption caused by the pandemic, there are positive signs of passengers returning, along with a growing confidence in the Scottish market. New routes have been launched from airports in Scotland and others have grown, however, there is still some way to go to attain pre-2019 passenger numbers. Further, levels of recovery from the impact of the pandemic vary across Scottish airports, with some recovering more quickly than others.

The Scottish Government is committed to working with airlines and Scotland's airports to help grow our international connectivity, while not returning to previous levels of emissions. [Scotland's International Strategy](#), published in January 2024, reaffirms our commitment to grow international connectivity. Our key aspiration is to help Scotland become at least as well connected as our peer nations and regions by growing demand for existing and new routes that are vital for inbound tourism, business connectivity and exports.

Transport Scotland leads on this aim, working with partners in VisitScotland and Scottish Development International, to provide route development support to airlines. This can entail cooperative marketing packages, market intelligence and data on the potential of the Scottish market. Our work is carried out strictly on an "airport-neutral" basis, which ensures that we do not act in a way that interferes in competition. The decision on where an airline flies to in Scotland rests entirely with the airline and we do not seek to influence that process.

In 2023 we supported the launch of new routes to Atlanta with Delta Air Lines, and Calgary with WestJet. Further developments in 2024 have seen JetBlue serve Scotland for the first time with their service to New York JFK, and WestJet resuming their services to Toronto and Halifax. It is important to recognise that many of these services will be operated using the latest generation aircraft, which are less polluting.

The routes that we continue to target are in line with the key markets for inbound tourism, business connectivity and export growth. Our route development work is informed by a number of Scottish Government strategies and plans, including [A Trading Nation](#), and the main markets for inbound tourism.

Domestic connectivity

The responses to our aviation strategy consultation offered very mixed views on the air services required to best meet the needs of people living in and visiting the Highlands and Islands. There were also different opinions on how air services and fares should be managed.

Since our consultation closed, we have renewed and strengthened our subsidy of the Glasgow–Tiree, Barra and Campbeltown air services, which provide connectivity to various essential services. We have also extended our subsidy for the Dundee–London and the Wick–Aberdeen services, which are intended to stimulate local economic development. The Scottish Government recognises that, for some island and rural communities, there may need to be better engagement between local authorities and health boards regarding the health-related transportation of patients, staff and medicines. We will continue to monitor whether and how the Scottish Government could support this process.

Our Islands Connectivity Plan draft Strategic Approach recently closed to public consultation. It makes clear that aviation has the potential to play an increased role in island transport connectivity and that the Community Needs Assessments to be undertaken will take this role into account. This, and the actions outlined on decarbonisation below, will help to inform our commitment to work to decarbonise scheduled flights within Scotland by 2040.

Reducing emissions

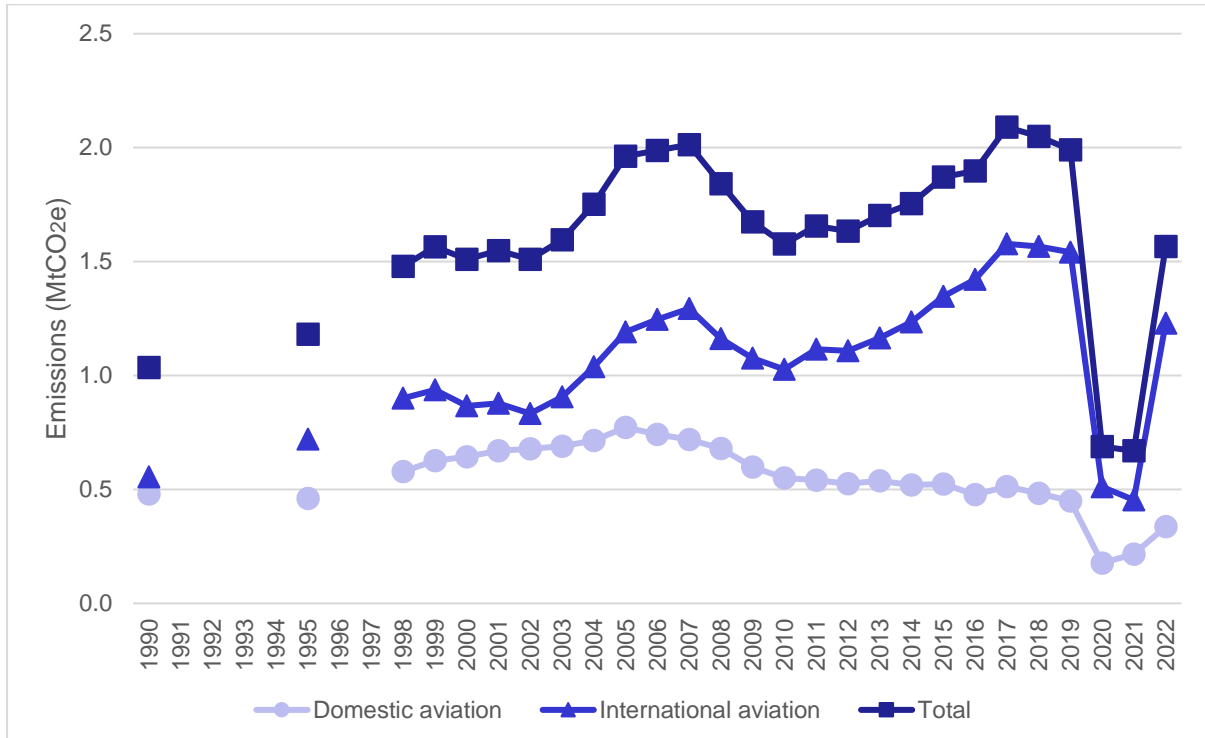
The independent analysis of our public consultation highlighted strong support for decarbonising aviation, which is included within Scotland's legal commitment to reach net zero emissions by 2045. Developing more efficient low and zero emission aircraft and investing in sustainable aviation fuels (SAF), which can significantly reduce emissions, were encouraged.

In the period since our consultation concluded, there have been several positive developments in what is a shared mission to drastically reduce aviation’s environmental impact. Progress has been made at the international, national and local level, and has involved airports, airlines and governmental bodies, demonstrating a broad commitment to make flying more sustainable. Equally, there is a widespread acknowledgement that more needs to be, and will be, done.

For the Scottish Government, there has to be a just transition to net zero. This means both the outcome – a fairer, greener future for all – and the process that must be undertaken in partnership with those affected by the transition. For this reason, we are working with the sector to explore the opportunities for economic growth in the transition to a climate resilient economy, including through the establishment of a SAF working group. This is discussed in more detail below.

The graph below demonstrates the scale of Scotland’s decarbonisation challenge. It shows that emissions from international flights are significantly higher than from domestic flights. Both have shown a welcome decline since 2017 i.e. before the impact of Covid, although emissions grew in 2022 as the sector recovered from the pandemic:

Scottish aviation emissions, 1990-2022



Source: [Scottish Greenhouse Gas Statistics 2022](#)

Examples of the aviation sector's recent actions to decarbonise are provided below, followed by examples of complementary work being undertaken by the Scottish Government and the wider public sector. It is crucial that all such activity amounts to a clear, coherent, credible and well-resourced pathway towards net zero.

- Aviation will only reach its net zero goal if meaningful action is taken at the global level. It is therefore welcome that the UN body ICAO established a long-term goal of net-zero CO₂ emissions from aviation by 2050, and agreed a global vision to reduce CO₂ emissions in international aviation by 5% by 2030, including through the use of SAF. The International Air Transport Association, which represents hundreds of airlines worldwide, also committed to attaining net zero by 2050.
- Significantly increasing SAF production and use is a prominent commitment in many net zero strategies, from a global to a local level. SAF will play a crucial role in reducing emissions over the short and medium term at least, until hydrogen, electric or hybrid aircraft become fully available for commercial routes. Both the EU and the UK Government will introduce a SAF mandate, while the United States is focusing on supply side incentives. SAF offers significant potential economic, as well as environmental, opportunities to businesses in the just transition to a net zero economy.
- Sustainable Aviation, a representative body for the UK aviation sector, published its updated '[Net Zero Carbon Road-Map](#)' in 2023. The report contains a series of initiatives it considers will allow the UK aviation industry to deliver net zero carbon emissions by 2050. The report referenced "the biggest ever geographical airspace change in the UK", [led by NATS](#), which removed established air routes over Scotland and freed aircraft to choose their most direct flight path. It is estimated that development will save CO₂ every year equivalent to the power used by some 3,500 family homes.
- Two airlines with a particularly strong presence in Scotland made announcements that should lead to significantly reduced emissions: Loganair's goal is for its entire fleet to comprise zero-emission aircraft by 2040, while EasyJet's '[Path to Net Zero plan](#)' commits to reaching net-zero carbon emissions by 2050.
- Airlines will be reliant on the development of low and zero emission aircraft to help achieve their decarbonisation targets. In January 2023, ZeroAvia flew the largest aircraft in the world to be powered by a hydrogen-electric engine. Small hydrogen aircraft such as the one test flown have the potential to be used on a range of intra-Scotland routes when they are certified by regulators.
- Loganair has also signed a Memorandum of Understanding with Cranfield Aerospace Solutions that aims to have the first operational hydrogen-electric

aircraft flying in Kirkwall by 2027. According to reports, this could become the world's first commercial zero emission air service.

The Scottish Government, agencies and other public bodies have also continued to encourage aviation decarbonisation, in line with our legal commitment to achieving net zero emissions by 2045. This includes both aviation-specific action and efforts to develop electric and hydrogen infrastructure more generally, infrastructure that will be required for low and zero emission flight:

- Ministers have established an expert working group on SAF to provide advice on possible policy options, recognising that many relevant levers are reserved. It involves stakeholders from the aviation sector and officials from across the Scottish Government and agencies, and is taking account of a SAF supply chain [mapping study](#) published by Scottish Enterprise. The working group's recommendations will help to inform the Scottish Government's Climate Change Plan and, given the potential economic opportunity of SAF, the Transport Just Transition Plan.
- Working with other governments in the UK as part of the Emissions Trading Scheme (ETS) Authority, we have set a tighter limit on emissions including from short haul and domestic aviation emissions. This incentivises aircraft operators to cut their carbon footprint. As part of the Authority, we are also working with the UK Government to consider how the ETS and CORSIA (ICAO's Carbon Offsetting and Reduction Scheme for International Aviation) can most effectively operate together.
- Aberdeen and Glasgow airports have conducted a feasibility study to establish a multi-modal Hydrogen Innovation Hub which, if successful, would allow Glasgow to be the first regional commercial airport to produce and use green hydrogen. As part of the Scottish Government's Hydrogen Innovation Scheme, the project was awarded £150,000 for a study to test the feasibility of a hydrogen production storage and distribution hub at Glasgow Airport. The Scottish Government has also provided grant funding to Edinburgh Airport to support its low carbon energy system.
- Highlands and Islands Airports Limited (HIAL) is leading on our commitment to make the Highlands and Islands a zero emission aviation region. Following the publication of its [Sustainability Strategy](#) and completion of a Net Zero Roadmap and energy audit at Inverness Airport, HIAL continues with its programme of activity to decarbonise airport operations and infrastructure.
- Transport Scotland worked with Skills Development Scotland to publish a study [baselining the skills](#) required for the transition to zero emission aviation and aerospace.

We will also continue to encourage the UK Government to ensure that its Jet Zero aviation strategy benefits Scotland. The strategy contains several measures that will directly affect the sector in Scotland and that are relevant to our climate change goals. For example, it sets a target for UK domestic flights to reach net zero by 2040 and contains an aspiration for zero emission routes connecting different parts of the UK by 2030. This overlaps with our commitment to help decarbonise scheduled flights within Scotland by 2040 and we will therefore work to ensure that Scotland's relevant strengths – for example, in renewable energy, hydrogen and trialling of new aircraft – are fully utilised.

Scottish Ministers have already written to their UK counterparts to note that Jet Zero contains an ambition for zero emission airport operations by 2040 in England, and to seek assurances that any associated financial support would be available on an equal basis to airports in Scotland. Ministers also separately highlighted the aviation sector's clear and repeated calls for the UK Government to provide some kind of price support mechanism for SAF, and sought assurances that all efforts were being made to secure for Scotland a share of the many jobs and economic benefits that SAF could provide.

Jet Zero sets out a CO₂ emissions reduction trajectory, with UK-wide targets to reduce in-sector emissions to 35.4 MtCO₂e (CO₂ equivalent emissions) in 2030, 28.4 MtCO₂e in 2040, and 19.3 MtCO₂e in 2050. We expect aviation emissions in Scotland to follow a similar trajectory and set out below how we can contribute to this target.

Our outcomes and actions

Having illustrated the strategic importance of aviation to Scotland and recent developments in connectivity and decarbonisation, this section outlines the specific new measures the Scottish Government will take to encourage further progress. These actions are informed by our existing policies and commitments, our new vision for aviation and the responses to our public consultation.

The illustration below describes the outcomes we want to deliver and the related actions we will take to help achieve these outcomes. The timescales relate to the latest point that the outcome will be achieved – some of the related actions will be progressed well in advance of those dates.

In addition to these aviation-specific actions, broader Scottish Government policies, for example, on energy, hydrogen and a just transition, will continue to help create the environment in which our vision for aviation can be realised. While we do not yet know the future shape and size of the hydrogen- and electric-powered fleet, we are

confident that there will be sufficient supplies of hydrogen and electricity to make zero emission flight in Scotland a reality.

Aviation decarbonisation is a long-term endeavour and the actions below will be revised as technologies improve and we have greater certainty on the emissions reductions they could achieve. As noted, the Scottish Government may also commit to further aviation-related actions in the Climate Change Plan and Transport Just Transition Plan, including on sustainable aviation fuel. The need for flexibility in the Aviation Statement is therefore considered in more detail below.

Scottish Government actions and outcomes for aviation

The outcome we want:

Continually improve Scotland's international connectivity to key markets for inbound tourism, business connectivity and export growth.

Actions to deliver this outcome:

- Review a sample of existing routes that have been supported by the Scottish Government to determine the value added and inform our approach to route development.
- Continually consider the support and information the Scottish Government could provide to airlines, to help build the case for future routes.
- Consider the role that more detailed freight information could play as part of our route development work.
- Consider wider data on emerging market opportunities that may inform our support for destinations that are key to Scotland's future growth.
- Our approach to supporting route development must continue to be strictly airport neutral. However, we will consider how we could support individual airports where it is appropriate to do so. This includes Edinburgh Airport's ambition to become the first UK airport to offer preclearance of immigration for flights to the United States, which could encourage the development of new US routes and, consequently, wider economic growth for Scotland.

The outcomes we want by 2025:

More efficient airport operations in the Highlands and Islands

Action to deliver this outcome: Review current governance arrangements for local authority and HIAL-operated airports to consider how economies of scale can be realised (this will not include any discussion on the ownership of non-HIAL airports).

Improved connectivity in the Highlands and Islands

Action to deliver this outcome: Review the Highlands and Islands Air Discount Scheme – which offers a reduction in air fare costs for eligible Highlands and Islands residents – to consider how it could be made fairer and more effective, and to ensure it is providing value for money.

Realising the full environmental, social and economic benefits of deploying new aviation technology in Scotland

Action to deliver this outcome: Work with stakeholders to consider exactly how the possible new routes and lower costs offered by sustainable aviation could improve passenger and cargo services and our tourism offer. This will include examining how low and zero emission aircraft could improve connectivity for island and rural communities. We will also ensure that businesses are supported to take advantage of the opportunities for economic growth to ensure a just transition.

The outcomes we want by the 2030s

- Aviation emissions reduced compared to 2019 levels, with the sector on track to become net-zero by 2045.
- Contribute to the global effort to reduce CO2 emissions in international aviation by 5% by 2030.

Actions to deliver these outcomes: (some of these will be completed well in advance of the dates above):

- Review how our public service obligations (PSO) specifications could encourage a switch to zero emission aircraft when such aircraft become available.
- Work with our European partners to understand how the combined value of our PSO contracts could help to encourage the use of low and zero emission aircraft.
- Agree options for increasing SAF production and use in Scotland.
- Work within the UK Emissions Trading Scheme (ETS) Authority to consider how the ETS could further reduce aviation emissions, including how it could take account of new low and zero carbon aviation technologies.

Scotland's airports are net-zero

Actions to deliver this outcome:

- Support HIAL to consider how to complete decarbonisation of its airport operations, building on its published Sustainability Strategy. Explore options for accessing UK Government funding, through its Jet Zero strategy, for this purpose.
- Continue to support the decarbonisation activities of other airports, where resources permit, in consultation with the sector.

The outcome we want by the 2040s

Domestic flights to reach net zero and the Highlands and Islands to be a zero-emission aviation region

Actions to deliver this outcome: (some of these will be completed well in advance of this date):

- Consider buying hydrogen/electric aircraft for use on PSO routes to replace current HIAL-owned aircraft.
- Support HIAL to consider how to develop the infrastructure, equipment and training needed for hydrogen and electric aircraft and explore options for accessing UKG funding.

The outcome we want by 2045

Aviation net-zero

Action to deliver this outcome: Work with stakeholders to consider how to plan for and fund the cost of airport infrastructure for hydrogen/electric aircraft, including possible public sector support. N.B. Some of the actions above will also contribute to this 2045 outcome.

Of the actions outlined above, we will prioritise the following in the short term. This will involve appropriate public and stakeholder consultation:

Review selected existing international routes supported by the Scottish Government to determine the value added

The Scottish Government has been proactive in route development support but we need to be mindful that our competitors are catching up. This work will provide

evidence of the benefits we have helped to deliver and help to inform our approach to route development.

Agree options for increasing SAF production and use in Scotland

The expert SAF working group will report in time to inform Scotland's new Climate Change Plan.

Review the Air Discount Scheme

The scheme has been successful in enabling travel from our most remote and island communities at a price lower than would otherwise have been the case on short routes with small aircraft. However, the scheme has not been reviewed for a considerable period of time. We want to consider how it could potentially be made fairer and more effective, and to ensure that it is providing value for money.

Governance arrangements for local authority and HIAL-operated airports

The Scottish Government provides funding for HIAL's airports, while some local authorities also provide airport services for scheduled passenger air services in the Highlands and Islands. We want to examine whether there is scope to realise economies of scale.

Carry out refreshed needs assessments as part of the Islands Connectivity Plan

These assessments will look at how and why people use ferries as well as fixed links, air services and onward and connecting travel.

Ensuring progress

This Statement has noted the aviation sector's primary responsibility for improving international connectivity and reducing emissions. In line with our legal commitments on net zero, the Scottish Government's actions must encourage and complement these efforts while maintaining clear lines of responsibility and accountability.

We also need to ensure that our actions actually help to drive significant change. Therefore, Ministers will meet regularly with aviation stakeholders to discuss the progress being made on reducing emissions and whether the various decarbonisation strategies that apply in Scotland, including the actions in this

Aviation Statement, are working effectively together or whether further action is required. We also want to ensure that there is a just transition to net zero.

Discussions will be particularly helpful in informing possible Scottish Government actions that would require significant public investment: we could not, for example, offer public funding for the airport infrastructure required for hydrogen/electric aircraft without understanding how this is being planned for and funded by the sector itself. In short, the Aviation Statement will be a living document that reflects significant new developments.

Finally, we highlight the specific issue of Air Departure Tax (ADT), which is the Scottish Government's intended replacement for UK Air Passenger Duty (APD) and potentially one of the main tools available to improve route development and achieve emission reductions. The Scottish Government continues to explore all options to implement ADT in a way that protects Highlands and Islands connectivity and complies with the UK Government's subsidy control regime. Once a solution to the Highland and Islands exemption has been identified, we will review the rates and bands of ADT prior to the implementation of the tax, to ensure they are aligned with our climate ambitions. UK APD will continue to apply in Scotland until ADT is implemented.



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