



Entrepreneurial
Scotland...

SEPA
Scottish Environment
Protection Agency
Buidheann Dìon
Àrainneachd na h-Alba

SUSTAINABLE GROWTH AGREEMENT

ENTREPRENEURIAL SCOTLAND LIMITED AND
SCOTTISH ENVIRONMENT PROTECTION AGENCY



JULY 2018



Front cover:
Entrepreneurial Scotland's Saltire Fellows.
This page:
Delegates at The Global Tyre challenge, hosted by SEPA
and Entrepreneurial Scotland.



Sustainable Growth Agreement [5 years from signing]

Between:

Scottish Environment Protection Agency (SEPA)
Corporate Office
Strathallan House
Castle Business Park
Stirling FK9 4TZ

and

Entrepreneurial Scotland Limited (ES)
Technology and Innovation Centre
University of Strathclyde
99 George Street
Glasgow G1 1RD

(each a 'party' and together the 'parties')

“This is an opportunity for Scotland to redesign itself. Not only will it become low carbon, it will become a more resilient, desirable place to live and do business.”

¹ Scottish Environment Protection Agency, a body corporate established under Section 20 of, and Schedule 6 to, the Environment Act 1995.

² Entrepreneurial Scotland Limited, a company registered in Scotland SC483869.



Our joint aspirations

It is estimated that if everyone lived the lifestyle of us here in Scotland, we would need almost three planets. We only have one. If we are to make the shift to a one planet lifestyle we will need massive transformational change. Everything we do has to be reinvented and reshaped. As a species we need to become more entrepreneurial.

This is an opportunity for Scotland to redesign itself. Not only will it become low carbon, it will become a more resilient, desirable place to live and do business. This is a chance for Scotland to show that even smaller countries can influence and create wider global change.

SEPA knows Scotland is lucky to have an organisation that is inspiring its people to create the most entrepreneurial society in the world. A society that is mindful of its future and develops businesses, policies and institutions that drive for prosperity in the long term. A society that values societal and environmental outcomes as well as economic ones. A society that doesn't leave problems on the shelf to fester.

“Together SEPA and Entrepreneurial Scotland can create economic opportunities that provide tangible benefits for environmental and social success in Scotland.”



Left:
Terry A'Hearn (SEPA) and James Stuart (Entrepreneurial Scotland) at the Global Tyre Challenge.
Right:
Chris van der Kuyl opens the Entrepreneurial Scotland conference entering on Mark Beaumont's bike.
Far Right:
SEPA's One Planet Prosperity regulatory strategy recognises that we are using the resources of three planets..

Working with ES is a great opportunity for SEPA to access:

- new networks and people;
- new ways of thinking;
- new methods of working.

Together SEPA and ES can create economic opportunities that provide tangible benefits for environmental and social success in Scotland. By working together, we can harness some of the best thinkers and innovators that Scotland has to offer, establishing new solutions to some of the biggest challenges facing our society and the world.

What are Sustainable Growth Agreements?

Sustainable Growth Agreements are voluntary, non-legally binding, formal agreements through which an organisation (or organisations) and SEPA can explore new and innovative ways to improve environmental performance (going beyond compliance) and focus on practical actions that deliver environmental, social and economic success.



Entrepreneurial Scotland's vision

ES is at the forefront of a movement to make Scotland the most entrepreneurial society in the world.

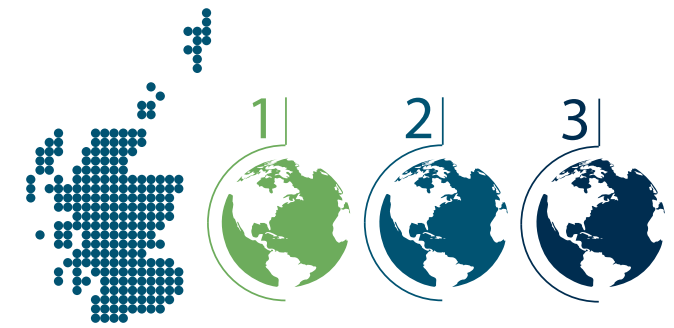
ES's Strategy – A Vision for 2030 – positions the entrepreneurial virtuous cycle as a means to become the most entrepreneurial society in the world and in so doing unlock Scotland's potential. The cycle is driven by entrepreneurial leaders, who drive value creation, which support wider opportunities, which are embedded in a culture that in turn nurtures more entrepreneurial leaders.

This cycle does not differentiate between public and private, indeed it is implicit in ES's vision that an entrepreneurial mind set is unlocked and supported across the whole of society.

To kick start this virtuous cycle ES will:

- Drive Entrepreneurial Leadership;
- Unlock value through a Peer Network;
- Join Up the Ecosystem.

The Sustainable Growth Agreement presents an opportunity to model what the most entrepreneurial society in the world may look like, to drive entrepreneurial leadership in an area of public and private sector collaboration and to unlock value in the process of addressing global challenges.



SEPA's vision

To make Scotland stronger by encouraging and supporting businesses who seek to find innovative and efficient ways to go beyond standard levels of compliance while operating within earth's capacity to support us.

SEPA's Regulatory Strategy – One Planet Prosperity describes the 21st century environmental challenges that Scotland and other countries across the world face, including over-use of natural resources and climate change.

According to the ecological footprint measure, Scotland needs approximately three planets to sustain its current way of living. There is however, only one planet and most nations around the world face the dilemma of significantly over-using the planet's capacity to support human activity.

All parts of our communities, businesses and government will have key roles to play to enable Scotland to successfully tackle the 21st century challenge of creating social and economic success within planetary constraints. In terms of environmental regulation, this effectively means that SEPA needs to:

- get all those it regulates to meet their legal obligations and reach compliance; and
- also help as many regulated entities as possible move beyond compliance.

Sustainable Growth Agreements are one way of helping achieve this, recognising that the most successful businesses in the 21st century are those that see environmental and social success as an opportunity for business success.



How will ES and SEPA work together?

SEPA knows that by nature entrepreneurship is opportunistic and so our working approach will need to be flexible and adaptive to maximise opportunities. Over the course of the Sustainable Growth Agreement, SEPA and ES will hold workshops, regularly engage with each other and review progress and outcomes. This will ensure we find the best ways of working together to achieve our joint goals.

In the next five years of the Sustainable Growth Agreement SEPA and ES will identify at least four key environmental challenges to address. A working team made up of SEPA staff and ES's members and networks will combine new thinking with environmental expertise, producing sustainable solutions to these key challenges.

The diagram on the following page shows how we will work together to achieve our ambitious joint aspirations. We have already used this approach with our shared efforts on the Global Tyres Challenge, which launched in 2017. This project challenged entrepreneurs to find sustainable new business opportunities for waste tyres over the next five years. The project runs parallel to SEPA's sector plan which sets targets and actions to directly tackle waste tyres and the criminal behaviours, such as illegal dumping, that the industry can attract. SEPA and ES have a successful track record of working together and this Sustainable Growth Agreement gives an opportunity to build on and strengthen this work.



“Entrepreneurial Scotland's Strategy – A Vision for 2030 – positions the entrepreneurial virtuous cycle as a means to become the most entrepreneurial society in the world and in so doing unlock Scotland's potential.”



Top left:

Leading industry figures at The Global Tyre Challenge.

Top right:

Plastic is one of the many resource and waste challenges for the environment and business.

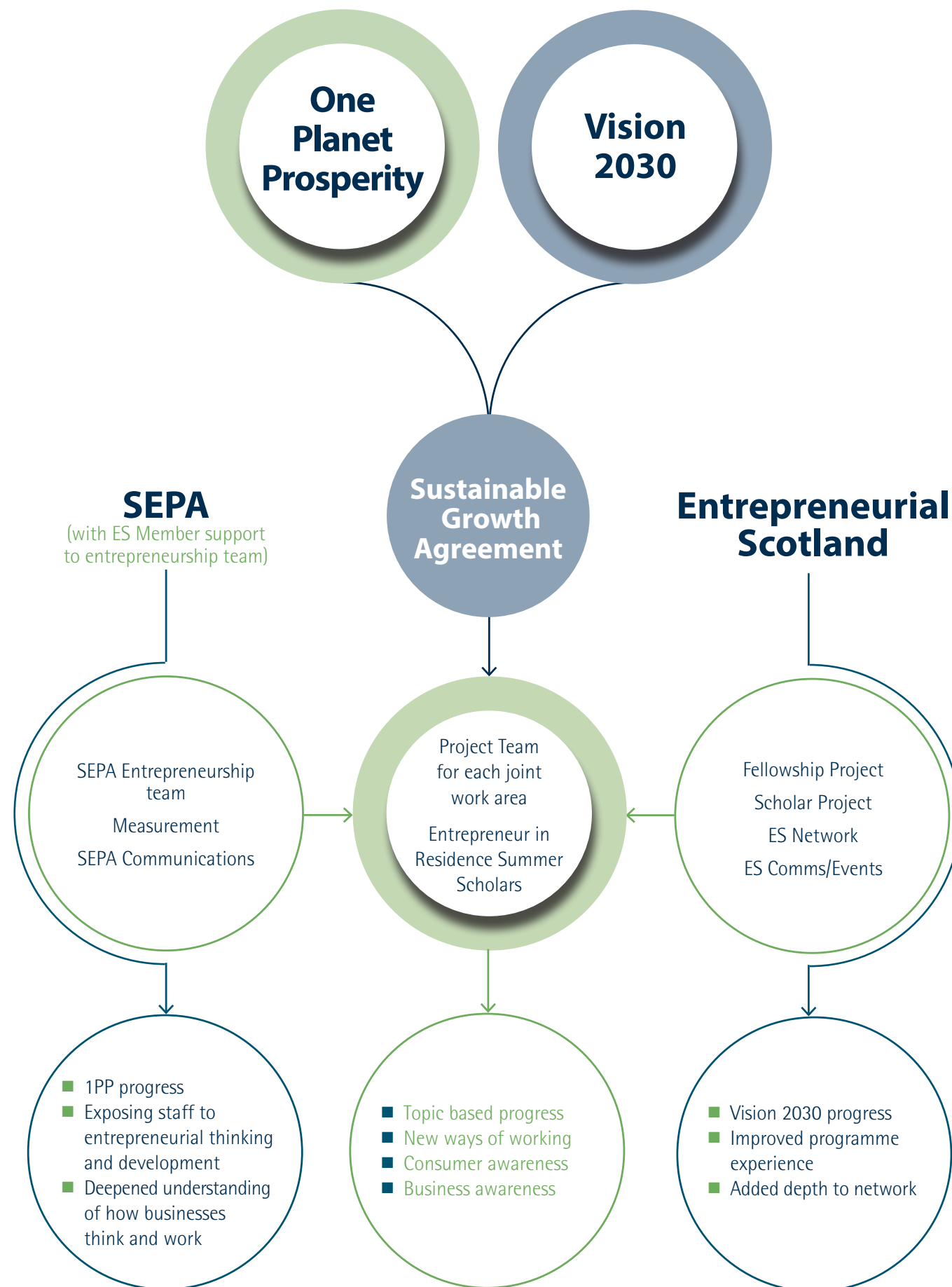
Right:

Martin Tangney, founder of Celtic Renewables, at the Global Tyre Challenge.

Bottom:

Collaboration is at the heart of the partnership between Entrepreneurial Scotland and SEPA.





Sustainable Growth Agreement management

1. All the normal laws continue to apply to ES and nothing in this Sustainable Growth Agreement is intended to, or shall be deemed to:

- a. establish any partnership or joint venture between the parties, constitute any party as the agent of any other party, nor authorise any of the parties to make or enter into any commitments for or on behalf of the other party; **and**
- b. adversely affect or prejudice the ability of SEPA to act in its capacity as a regulator.

2. The parties have agreed that this Sustainable Growth Agreement will remain in place for five years from the date of this Sustainable Growth Agreement.

3. This Sustainable Growth Agreement is not legally binding and creates no legal rights or legal obligations between the parties. Both parties are accountable and responsible for honouring their commitments in this Sustainable Growth Agreement.

4. This agreement will be made available to the public by both parties, e.g. on SEPA and Entrepreneurial Scotland's websites.

5. ES and SEPA agree to review and document progress on a six monthly basis and report this to the SEPA and ES's Chief Executives.

6. Opportunities to promote the Sustainable Growth Agreement and its outcomes will be included in the six monthly reporting to the Chief Executives.

7. There will be a formal annual review and joint annual reporting by SEPA's CEO and ES's CEO/Managing Director to assess progress against the commitments set out in this Sustainable Growth Agreement and to measure success.

8. The annual review and joint annual report can also identify areas of focus for the following year, possible amendments to the Sustainable Growth Agreement and opportunities to promote the Sustainable Growth Agreement.

9. The joint annual report on this Sustainable Growth Agreement will be presented to the SEPA and ES Boards and made available to the public.

10. Both parties reserve the right to withdraw from this Sustainable Growth Agreement if they believe it is no longer effectively promoting their aspirations (going beyond compliance).

11. If a party is considering withdrawing they will notify the Chief Executive of the other party of their intention. Both parties agree to work together to seek a resolution wherever possible.



Further Information

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 EntrepreneurialScotland

 EntrepScot

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 ScottishEnvironmentProtectionAgency

 ScottishEPA

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If you are a user of British Sign Language (BSL) the Contact Scotland BSL service gives you access to an online interpreter enabling you to communicate with us using sign language.

<http://contactscotland-bsl.org/>

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